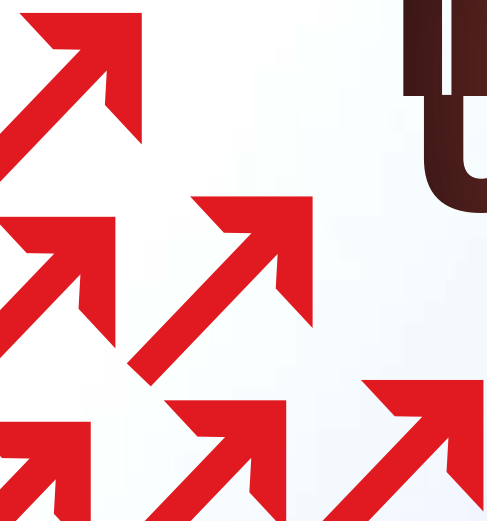
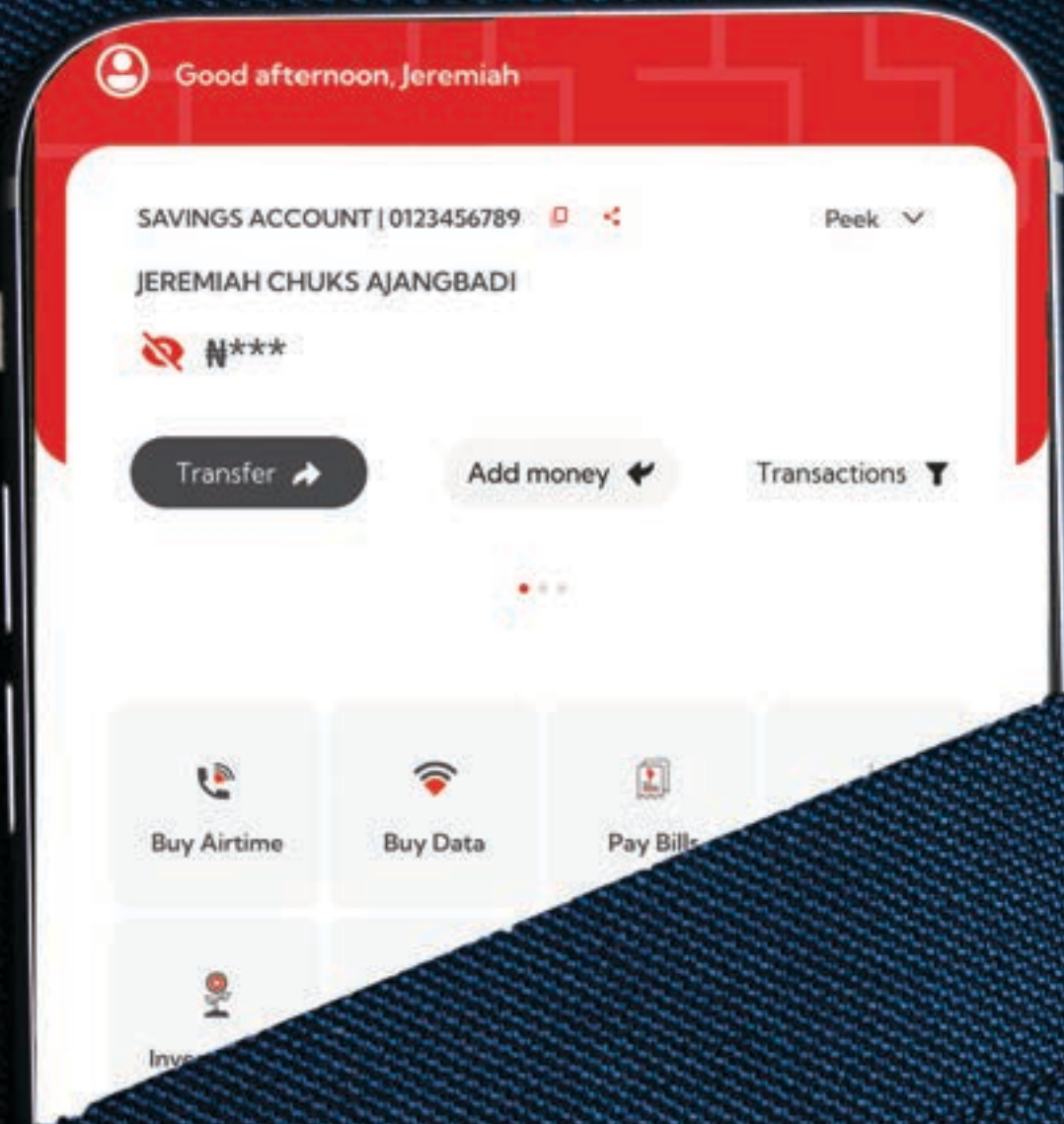




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2024 ANNUAL REPORT & FINANCIAL STATEMENTS





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OVERVIEW

A summary of the bank's operational and financial achievements in the past year



CORPORATE PHILOSOPHY

OVERVIEW

OUR VISION

TO BE THE
BANK OF FIRST
PREFERENCE

OUR MISSION

TO DELIVER NOVEL SOLUTIONS
THROUGH INNOVATION, TECHNOLOGY,
AND PREMIUM SERVICES.

OUR CORE VALUES

I - C C L A S E

INTEGRITY

CREATIVITY

CONTINUOUS LEARNING

ADROITNESS

SERVICE EXCELLENCE



CORPORATE INFORMATION

Board of Directors

Dr. Perez Araka	Chairman
Emmanuel Efe Emefienim, CON, FCIB	Managing Director/CEO
Sir Emmanuel Onyekwena	Non-Executive Director
Dr. Godwin Abhulimen	Non-Executive Director
Neville Atigan	Non-Executive Director
Charles Obukofe	Non-Executive Director
Olugbenga Omojola	Non-Executive Director
Anthony Adejugbe	Non-Executive Director
Dr. Victor Olowogoroye	Non-Executive Director
Temitope Mark	Non-Executive Director
Uchenna Igwebuike	Independent Non-Executive Director
Barr. Justina Lewa	Independent Non-Executive Director
Shina Atilola	Executive Director
Olubukunola Awosanya	Executive Director

Company Secretary

Chukwuemeka Nwaogu
FRC/2022/PRO/CIIN/002/764830

Registered Office

Plot 1612, Adeola Hopewell Street,
Victoria Island, Lagos.

Auditors

Deloitte & Touche
Civic Towers
Plot GA1, Ozumba Mbadiwe Avenue,
Victoria Island, Lagos.

Company Registration Number

RC 1848047

CORPORATE PROFILE

PremiumTrust Bank was incorporated as a limited liability company on October 6, 2021, and licensed by the Central Bank of Nigeria (CBN) as a commercial bank on December 14, 2021. The Bank commenced operations on April 19, 2022.

As a reflection of its rapid growth and expanding influence, PremiumTrust Bank currently operates 23 branches strategically located across Nigeria's geopolitical zones, with its Head Office at Plot 1612 Adeola Hopewell Street, Victoria Island, Lagos. The Bank aims to expand its footprint to 50 locations by the end of 2025.

As a “*phygital bank*,” PremiumTrust Bank integrates both traditional brick-and-mortar branches with robust digital channels, ensuring seamless, innovative, and convenient banking experiences for its diverse customer base. Building on this drive for innovation, PremiumTrust Bank launched “*Blayzz*”, a cutting-edge all-in-one financial lifestyle digital platform designed to redefine convenience and combine everyday banking with smart lifestyle tools for individuals and businesses. Blayzz offers free transfers, zero-cost bill payments, smart budgeting, high-yield savings, and flexible financing options such as buy-now-pay-later and green energy loans. Users can also generate passive income through referrals, access household or automobile credit, and purchase insurance—all from one seamless platform. For businesses, Blayzz provides a free e-commerce storefront with integrated payments, instalment options, and digital reach—empowering merchants to scale in both online and offline environments. This initiative reflects the Bank's commitment to driving fintech innovation across Africa, positioning it among the most digitally forward-thinking financial institutions in the region. This commitment to innovation and technology has earned the bank several prestigious industry awards since inception in 2022, including; “**Most Innovative Bank of the Year**” by *Leadership Media Awards* and the “**Fastest Growing Commercial Bank in Nigeria**” by *Finance Derivative (Netherlands)*. Our commitment to digital excellence also earned us the “**Most Innovative Mobile Banking App of the Year**” award from *BusinessDay Banks and Other Financial Institutions (BAFI)*, and the “**Emerging Partner of the Year**” by *Interswitch*. For its longstanding commitment to sports development in Nigeria, the

Bank was awarded the “**Bank of the Year - Sports Development**” by the *BusinessDay Banks and Other Financial Institutions (BAFI)* Awards for two consecutive years.

In **2024**, PremiumTrust Bank was, for the third consecutive year, recognised as “**Nigeria's Fastest Growing Bank of the Year**” by the *BusinessDay Banks and Other Financial Institutions (BAFI)*, underscoring our consistent performance and rapid growth trajectory. We were also recognized as the “**Fastest Growing Bank in Africa**” award by *Finance Derivative (Netherlands)*, further affirming our expanding continental footprint. Our inclusive culture and people-focused ethos earned us the “**Best Place to Work for Women - Large Corporate Category**” award from *Great Place to Work Nigeria*.

In reaffirmation of its sustained commitment to sports and national development, PremiumTrust Bank marked a significant milestone in 2022 when it served as lead sponsor of the Delta 2022 National Sports Festival. Building on this foundation, the Bank has consistently established impactful partnerships and sponsorships aligned with its broader vision of national advancement. In **2024**, PremiumTrust secured exclusive sponsorship rights as the official bank of the Nigerian Football Federation (NFF), covering all national team matches. The Bank also sponsored the inaugural PremiumTrust Bank Abuja City International Half Marathon, underscoring its sustained commitment to talent development and fostering community impact.

At PremiumTrust Bank, Corporate Social Responsibility (CSR) is regarded as a strategic imperative integral to our commitment to fostering sustainable development and delivering long-term value to society. We recognise that businesses play a pivotal role as drivers of positive societal change, and this conviction is firmly embedded in our operations, culture, and decision-making processes. Our CSR framework is anchored on three core pillars: **Sports and Youth Empowerment, Education, and Health**. Through these focus areas, we execute



CORPORATE PROFILE



Under robust leadership, PremiumTrust Bank is well-positioned to achieve its strategic objectives, drive sustainable growth, and continue delivering value to its customers, shareholders, and the wider community.

programmes designed not only to uplift communities but also to contribute meaningfully to broader economic advancement. By consistently investing in impactful initiatives, we affirm our dedication to responsible and sustainable banking, positioning social impact as a defining element of our corporate identity.

The Bank has a diverse combination of visionary leaders with an average experience of over 25 years. At the heart of the Bank's growth is its visionary leadership, led by Mr. Emmanuel Efe Emefienim, CON, FCIB, the founding Managing Director and Chief Executive Officer. His exemplary stewardship has earned national and industry recognition, including being named one of The Guardian's "50 Value-Driven CEOs Powering Nigeria's Economy" in 2022. In 2023, He was invested as a distinguished Fellow of the Chartered Institute of Bankers of Nigeria (FCIB). Also, in recognition of his exceptional service to the benefit of our Country, Emmanuel was conferred as Commander of the Order of the Niger (CON) by the President of the Federal Republic of Nigeria. In 2024, he became a member of the Chartered Institute of Bankers of Nigeria's Governing Council. Currently, in 2025, he was appointed by the

President of the Federal Government of Nigeria, His Excellency, Senator Bola Ahmed Tinubu, GCFR, to the Governing Council of Federal University of Technology and Environmental Sciences (FUTES), Iyin-Ekiti, Ekiti State —accolades that reflect his leadership, integrity, and transformative impact.

The diversity of our board composition roots deeply into the framework of measures instituted to ensure unbiased governance and lay the foundation for a culture of transparency and growth. Our governance framework ensures clearly defined, periodic evaluation systems to ensure compliance with all relevant legislation and regulations.

Under this robust leadership, PremiumTrust Bank is well-positioned to achieve its strategic objectives, drive sustainable growth, and continue delivering value to its customers, shareholders, and the wider community. The leadership's vision and commitment are key drivers in PremiumTrust Bank's journey to becoming the most preferred bank by 2028 and a leading force in retail and consumer banking in Africa by 2032.



OUR MILESTONES



OCT.
2021

- Incorporated as a limited liability company



DEC.
2021

- Obtained a Regional Banking License



APRIL
2022

- Opened its first branch in Port Harcourt, Rivers State



DEC.
2023

- Emerging Partner of the Year (Interswitch Awards)
- Fastest Growing Commercial Bank in Nigeria (Finance Derivative Awards, Netherlands)
- Most Innovative Mobile Banking App of the Year (BAFI Awards, 2023)
- Fastest Growing Bank (BAFI Awards, 2023)



MAY
2023

- Upgraded to a Commercial Bank with National Authorization



DEC.
2022

- Bank of the Year (BAFI Awards 2022)
- Nigeria's Fastest Growing Bank (BAFI Awards 2022)
- Most Innovative Bank (Leadership Awards, 2022)



DEC.
2024

- Great Place to Work certified
- Best Workplace for Women - Large Category (2024 Best Practices Award Nigeria)
- Sports Development Bank of the Year (BAFI Awards, 2024)
- Fastest Growing Bank (BAFI Awards, 2024)
- Fastest Growing Bank in Africa (Finance Derivative, Netherlands)



JUNE
2025

- Opened its 23rd branch



FINANCIAL HIGHLIGHTS

(FY-2024)

GROSS EARNINGS 

N132.4 billion

2023: N47.8 billion

PROFIT BEFORE TAX 

N57.4 billion

2023: N14.1 billion

PROFIT AFTER TAX 

N39.7 billion

2023: N9.3 billion

CUSTOMER DEPOSITS 

N451.9 billion

2023: N260.9 billion

TOTAL LOANS 

N173.3 billion

2023: N176.1 billion

TOTAL ASSETS 

N1.0 trillion

2023: N311 billion

RETURN ON AVERAGE EQUITY (ROaE)

2024	107%	PRE-TAX
2023	61%	

RETURN ON AVERAGE EQUITY (ROaE)

2024	74%	POST-TAX
2023	26%	

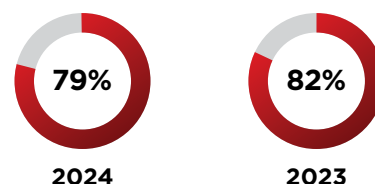
RETURN ON AVERAGE ASSETS (ROaA)

2024	9%	PRE-TAX
2023	5%	

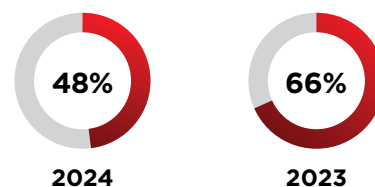
RETURN ON AVERAGE ASSETS (ROaA)

2024	6%	POST-TAX
2023	3%	

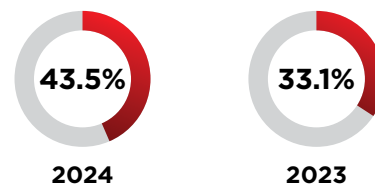
NET INTEREST MARGIN



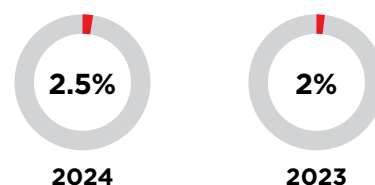
COST-TO-INCOME



LIQUIDITY RATIO



COST OF FUNDS (CoF) RATIO





Dr. Perez Araka, FNSE
Chairman, Board of Directors



CHAIRMAN'S STATEMENT

Distinguished Shareholders, Members of the Board, Ladies and Gentlemen, It is a great pleasure to welcome you to the 2nd Annual General Meeting of PremiumTrust Bank and to present the Annual Report and Financial Statements for the year ended 31st December 2024.

As we reflect on the journey so far, it is gratifying to note the remarkable strides we have made in building a trailblazing financial institution. In just two years of operations, your Bank has established itself as a resilient and progressive player in the Nigerian financial services sector, driven by visionary leadership, disciplined execution, and a clear commitment to delivering value to all stakeholders.

Before I proceed, let me, on behalf of the Board, express my deepest gratitude to you, our esteemed shareholders, for your unwavering trust and support. Your confidence in our vision and leadership has been the bedrock of the impressive milestones we have recorded over this short but eventful period.

MACROECONOMIC ENVIRONMENT

The operating environment in 2024 was characterized by global volatility and domestic challenges. Globally, the year was dominated by persistent inflationary pressures, supply chain disruptions, and escalating geopolitical tensions, all of which impacted investor sentiment and constrained growth.

Towards the end of the year, however, signs of stabilization began to emerge as inflation moderated across several economies, prompting central banks in advanced economies to ease monetary tightening policies and creating a pathway for recovery.

On the domestic front, Nigeria continued to contend with structural challenges, including currency depreciation, high inflation, and constrained consumer spending, particularly driven by sharp increases in food and energy prices. These headwinds contributed to a decline in real incomes and amplified the cost-of-living pressures for households and operating expenses for businesses. Nevertheless, Nigeria's economy demonstrated notable resilience, recording a GDP growth rate of 3.8 percent in the fourth quarter—the strongest in three years—and an overall annual growth rate of 3.4 percent, up from 2.7

percent in the preceding year. This recovery was bolstered by reforms in the monetary and fiscal policy, alongside renewed investor confidence.

A key development during the year was the liberalization of Nigeria's exchange rate regime, alongside stricter macroprudential policies and the removal of select subsidies. These actions, combined with improved external sector performance driven by rising oil exports, contributed to a build-up of external reserves, closing the year at US\$40.9 billion. The Central Bank of Nigeria also introduced reforms that set the tone for the future of the banking sector, including enhanced foreign exchange management. Throughout the year, we maintained robust liquidity buffers in excess of regulatory requirements and delivered competitive returns to shareholders. Our cost-to-income ratio improved markedly, closing at 48 percent in 2024 compared to 66 percent in the previous year, reflecting our commitment to operational efficiency. Asset quality remained a top priority, and through prudent credit underwriting and rigorous risk management, we sustained a non-performing loan ratio of below 0.15 percent, firmly within regulatory prudential guidelines.

FINANCIAL PERFORMANCE

In spite of these headwinds, PremiumTrust Bank posted an outstanding financial performance, reflecting the strength of our business model and the disciplined execution of our strategic plans. Gross earnings rose by 177 percent to close at N132.4 billion, while Profit Before Tax surged by 306 percent, growing from N14.1 billion in 2023 to N57.4 billion in 2024. Profit After Tax followed a similar trajectory, closing the year at N39.7 billion, representing a growth of 326% over the previous year.

We also made significant progress in strengthening our balance sheet. Customer deposits increased by 73 percent to N451.9 billion, while total assets grew by 232 percent to reach N1.03 trillion, marking our entry into the league of Nigerian banks with asset bases

CHAIRMAN'S STATEMENT

exceeding one trillion naira. Throughout the year, we maintained robust liquidity buffers in excess of regulatory requirements and delivered competitive returns to shareholders. Our cost-to-income ratio improved markedly, closing at 48 percent in 2024 compared to 66 percent in the previous year, reflecting our commitment to operational efficiency. Asset quality remained a top priority, and through prudent credit underwriting and rigorous risk management, we sustained a non-performing loan ratio of below 0.15 percent, firmly within regulatory prudential guidelines.

SUSTAINABILITY

Beyond financial performance, PremiumTrust Bank is fully committed to building a sustainable and responsible institution. Sustainability is not a separate initiative—it is embedded in our business philosophy. We remain intentional in our pursuit of Environmental, Social, and Governance (ESG) principles, integrating them into how we operate, how we serve our customers, and how we create long-term value for society at large.

In 2024, we took meaningful steps toward advancing our sustainability agenda. Through Blayzz, our flagship digital platform, we formed strategic partnerships with renewable energy providers, offering accessible and affordable installment-based financing for solar products to households and small businesses. This initiative promotes energy inclusion, supports Nigeria's transition toward renewable energy, and contributes to reducing reliance on non-renewable sources.

In addition, we further enhanced our Environmental and Social Risk Management System to ensure that all credit facilities are evaluated for environmental and social impact, thereby promoting responsible lending practices.

On the governance front, we sustained a strong commitment to upholding the highest standards of ethical conduct, regulatory compliance, and board effectiveness. Details of our sustainability performance and initiatives are provided in the Sustainability section of this report.

BOARD & GOVERNANCE

PremiumTrust Bank continues to maintain a stable and effective governance framework. As of 31st December 2024, the Board consisted of fourteen Directors, comprising nine Non-Executive Directors, two Independent Non-Executive Directors, and three Executive Directors.

Throughout the year, the Board held regular meetings to provide oversight, strategic direction, and constructive engagement with Management.

There were no changes to the composition of the Board during the year under review, ensuring leadership continuity and stability as we pursue our long-term objectives.

Our governance structures are firmly aligned with global best practices and regulatory requirements. The Board's primary responsibility remains to ensure that PremiumTrust Bank achieves its strategic goals with transparency, accountability, and integrity.

Subject to shareholder approval at this meeting, the Board has recommended a final dividend of N1.00 per ordinary share for the 2024 financial year, reflecting our commitment to delivering value to shareholders.

OUTLOOK FOR 2025

As we look ahead, we remain cautiously optimistic about the future. The global economic outlook remains mixed, with growth forecasts revised downward due to rising trade tensions, particularly between major economies such as the United States and China.

Domestically, however, Nigeria's ambitious reform agenda has set the stage for medium-term growth, provided that execution remains disciplined and sustained investments are directed toward critical sectors like digital infrastructure, SMEs, and energy transition.

The Central Bank of Nigeria's recapitalization programme, along with its commitment to financial stability and the phased implementation of Basel III, will reshape the competitive landscape of the Nigerian banking sector. At PremiumTrust Bank, we are fully prepared for these regulatory developments and view them as opportunities to deepen our market participation and strengthen our balance sheet.



CHAIRMAN'S STATEMENT



Although global uncertainties remain, we are confident that with prudent leadership, effective governance, and the dedication of our people, PremiumTrust Bank is well-positioned to navigate challenges and seize opportunities for sustained growth.

In 2025, we will continue to prioritize digital innovation, enhance customer experience, and expand access to financing for businesses and individuals alike. We are encouraged by ongoing government initiatives aimed at improving national infrastructure, expanding economic interventions, and attracting foreign direct investment. Although global uncertainties remain, we are confident that with prudent leadership, effective governance, and the dedication of our people, PremiumTrust Bank is well-positioned to navigate challenges and seize opportunities for sustained growth.

APPRECIATION

On behalf of the Board of Directors, let me seize this opportunity to express our sincere appreciation to our regulators for their invaluable guidance and support throughout the year. Our commendation goes to the Executive Management and staff of PremiumTrust Bank for their dedication, professionalism, and steadfast pursuit of the Bank's vision.

To our shareholders, customers, and other stakeholders, I thank you for your continued trust and partnership. I also extend my heartfelt gratitude to my colleagues on the Board for their strategic direction and unwavering commitment. Together, we will continue to build a future-ready institution that creates enduring value for all."

Thank you.

Dr. Perez Araka, FNSE
Chairman, Board of Directors
FRC/2022/PRO/DIR/003/536053



Emmanuel Efe Emefienim, CON, FCIB
Managing Director/ CEO



MD/CEO's STATEMENT

Distinguished Shareholders, Esteemed Members of the Board, Ladies and Gentlemen, It is with great pleasure that I present to you the Audited Financial Statements of PremiumTrust Bank for the 2024 financial year—an account of remarkable progress in just our second year of operations.

The year under review marked a defining moment in our growth journey. We surpassed N1 trillion in balance sheet size, quadrupled our profit to N57.4 billion, and delivered strong performance across key financial indicators. These exceptional results reflect the steadfast commitment of our people, the discipline of our execution, and the clarity of our strategic direction.

OPERATING ENVIRONMENT

The operating landscape in 2024 was characterized by significant macroeconomic headwinds alongside emerging opportunities for well-positioned and agile institutions. The Nigerian economy showed signs of resilience, closing the year with a GDP growth rate of 3.84% in Q4—the highest quarterly performance since 2021. The services sector led this growth, contributing 57.38% of total GDP, while the financial services industry expanded by 27.78%, driven by increasing digitalization and portfolio growth amid a high-interest rate environment.

However, the broader context was shaped by severe inflationary pressures, with inflation climbing to a 28-year high of 34.8%, driven by escalating food and energy prices, transportation costs, and persistent supply chain disruptions.

The Naira depreciated significantly, ending the year at N1,536.5/US\$, amplifying input costs in an import-dependent economy. In response, the Central Bank of Nigeria (CBN) took decisive steps, aggressively tightening monetary policy by raising the Monetary Policy Rate to an unprecedented 27.5% and increasing the Cash Reserve Ratio to 50%. These interventions created tighter liquidity conditions but were instrumental in restoring stability.

The CBN's pragmatic FX reforms—particularly the clearance of verified FX backlogs and unification of exchange rates—rekindled investor confidence and

boosted Foreign Portfolio Investment to a four-year high of \$14 billion.

Of particular importance was the introduction of new minimum capital requirements for banks, with national banks required to achieve a N200 billion capital base by March 2026. I am pleased to report that PremiumTrust Bank is well ahead of this curve. Our capital raising programme is firmly on track for completion by the end of Q3 2025.

We applaud the CBN for its forward-thinking recapitalisation initiative. It will further strengthen the financial system, reinforce industry resilience, and position Nigerian banks—PremiumTrust included—to unlock the immense potential of our economy.

OUR FINANCIAL SCORECARD

PremiumTrust Bank delivered another year of outstanding performance, reinforcing our strategy and operational resilience. Gross earnings rose by 177% year-on-year to N132 billion, underpinned by a 252% increase in interest income to N106.5 billion and a 48% growth in non-interest income to N25.9 billion.

Despite inflationary pressures driving operating expenses up by 167% to N35.6 billion, our disciplined cost management led to a significant improvement in our Cost-to-Income Ratio, which declined to 48% from 66% in the prior year.

Our Profit Before Tax soared by over 300% to N57.4 billion, with Return on Average Equity rising to 107% (2023: 61%) and Earnings per Share climbing to 152.9 kobo (2023: 35.9 kobo), further underlining our commitment to sustainable shareholder value creation.

Customer deposits rose by 42% to N451.9 billion, with 77.2% held in low-cost CASA deposits, helping us maintain a competitive Cost-of-Funds of 2.5%.

MD/CEO's STATEMENT

“Going forward, we will continue to invest in technology, data, and digital infrastructure to keep PremiumTrust Bank ahead of evolving market needs.”

Prudential ratios remained robust—liquidity ratio stood at 43.5%, well above the 30% minimum, and our Capital Adequacy Ratio was at 21%, exceeding the 10% benchmark. Our Non-Performing Loan ratio remained exceptionally low at 0.15%, reflecting our prudent risk management framework.

These results are not just numbers; they represent the combined impact of our strategic clarity, disciplined execution, and unwavering dedication to building a formidable institution.

ADVANCING DIGITAL TRANSFORMATION AND INNOVATION

At PremiumTrust Bank, Innovation is not merely an aspiration but a defining commitment. In 2024, we made meaningful progress in enhancing customer experience across our digital platforms. We upgraded our Corporate Internet Banking platform and Mobile App, introducing new features and tightening security protocols to deliver seamless, intuitive digital banking services.

It is with great pride that I announce the official launch of **Blayzz** — our flagship lifestyle digital platform — introduced to the market in January 2025 following CBN approval. Blayzz represents a bold leap forward, transforming how individuals and businesses engage with financial services.

Blayzz is more than a payment solution—it is an ecosystem designed to drive convenience, security, and lifestyle integration. With zero-fee transactions, access to insurance services, and the ability to purchase gadgets, solar systems, and vehicles via flexible payment plans, Blayzz is redefining the customer experience.

It also positions us to drive customer acquisition, scale merchant partnerships, and expand our geographic reach as we pursue leadership in Nigeria's digital banking space. Going forward, we will continue to invest

in technology, data, and digital infrastructure to keep PremiumTrust Bank ahead of evolving market needs.

CORPORATE SOCIAL RESPONSIBILITY

Our success as an institution must translate into positive, lasting impact for our communities. Guided by our CSR pillars—Sports and Youth Development, Education, Healthcare, and Social Inclusion—we championed numerous initiatives throughout the year.

In partnership with the Ekiti State Government, we renovated the Children Therapy Center and the Government Special School for Persons with Disabilities in Ekiti State. We also supported women empowerment through the “Inspire Her” event, empowering participants with tools for growth, inclusion, and leadership.

Financial literacy remained a priority, as we engaged over 100 female students at Fiwasaye Girls' Grammar School, Ondo State, helping them build the foundations for long-term financial security.

In sports, we proudly sponsored the maiden Abuja City International Half Marathon, a landmark event that attracted both local and international athletes, promoting not only athletic excellence but also unity, tourism, and community engagement within the Federal Capital Territory. We also secured exclusive sponsorship rights as the official bank of the Nigerian Football Federation (NFF), a landmark four-year partnership that underscores our commitment to national development through sports. This partnership covers all national team matches, providing vital support to Nigeria's footballing aspirations while strengthening our brand's presence across local and international sporting platforms. Through sports, we are not only nurturing talents but fostering unity and national pride.

Our staff also continued to demonstrate their commitment by contributing to community-focused initiatives in line with our CSR priorities.



MD/CEO's STATEMENT

“PremiumTrust Bank is not only poised to shape the future of banking—we are committed to playing a transformative role in the broader financial ecosystem of Nigeria.”

AWARDS AND HONOURS

Our efforts did not go unnoticed. In 2024, we were honoured as Sports Development Bank of the Year and Fastest Growing Bank of the Year for the third consecutive time at the BusinessDay BAFI Awards—affirming both our industry leadership and social commitment.

Additionally, we earned Great Place to Work® certification and were named one of the Top 10 Best Workplaces in Nigeria and Best Workplace for Women. These recognitions reflect the strength of our culture and our belief that empowered people drive enduring success.

INVESTING IN OUR PEOPLE

Our most important asset remains our people. Today, with a team of nearly 600 professionals, we are building not just a workforce—but a formidable institution defined by excellence, passion, and shared purpose.

We continue to strengthen talent pipelines, invest in leadership development, and foster a work environment where every employee can grow, contribute, and thrive. Our people are at the heart of our ambition to be the bank of first preference, and their dedication inspires our success.

EYES ON THE FUTURE

Looking ahead, we are resolute in our pursuit of sustainable growth and market leadership. As we execute our strategy for 2025 and beyond, we will focus on:

- Completing our capital raise programme
- Expanding market share in deposits
- Accelerating digital innovation through Blayzz
- Driving customer acquisition and engagement
- Growing our presence in new markets
- Maintaining service excellence across all channels

The progress we have achieved in just two years is a testament to our collective strength, strategic foresight, and your unwavering support. But I am even more excited about what lies ahead.

PremiumTrust Bank is not only poised to shape the future of banking—we are committed to playing a transformative role in the broader financial ecosystem of Nigeria.

CLOSING REMARKS

We remain grateful to our Regulators for their steadfast commitment to fostering a sound and resilient financial system. Their guidance and support have been instrumental in enabling us to pursue our growth objectives responsibly and sustainably. I also wish to sincerely thank our valued Shareholders, Board members, Customers, and Employees for their unwavering belief in our vision. Together, we are building a future defined by purpose and impact, and I am privileged to lead you all on this journey

Thank you.

Yours Sincerely,

Emmanuel Efe Emefienim, CON, FCIB
Managing Director/ CEO
FRC/2022/PRO/DIR/003/818606

AWARDS & RECOGNITIONS

2022

LEADERSHIP AWARDS, 2022
Most Innovative Bank of the Year

BANKS & OTHER FINANCIAL INSTITUTIONS (BAFI)
Nigeria's Fastest Growing Bank

BANKS & OTHER FINANCIAL INSTITUTIONS (BAFI)
Bank of the Year (Sports Development)

2023

FINANCE DERIVATIVE AWARDS, NETHERLANDS
Fastest Growing Commercial Bank

BANKS & OTHER FINANCIAL INSTITUTIONS (BAFI)
Most Innovative Mobile Banking App of the Year

BANKS & OTHER FINANCIAL INSTITUTIONS (BAFI)
Fastest Growing Bank of the Year

INTERSWITCH
Emerging Partner of the Year

2024

BANKS & OTHER FINANCIAL INSTITUTIONS (BAFI)
Fastest Growing Bank of the Year

BANKS & OTHER FINANCIAL INSTITUTIONS (BAFI)
Sports Development Bank of the Year

FINANCE DERIVATIVE (NETHERLANDS)
Fastest Growing Bank in Africa

GREAT PLACE TO WORK NIGERIA
Best Workplace for Women (Large Category)



BUSINESS

An analysis of PremiumTrust Bank's products, services, people, culture, diversity, and sustainability.



2



Blayzz: Redefining Digital Banking in Nigeria

In a world where convenience defines modern living and choice shapes everyday decisions, Blayzz emerged with a bold vision: to transform banking from a routine task into an empowering lifestyle.

It was never just about launching another app—it was about creating a digital experience that brings together everything people need to live, thrive, and grow. With Blayzz, users don't have to switch between multiple platforms to manage their financial lives. Everything—payments, savings, insurance, shopping, credit, and even global news—sits beautifully within one intuitive, thoughtfully designed space.

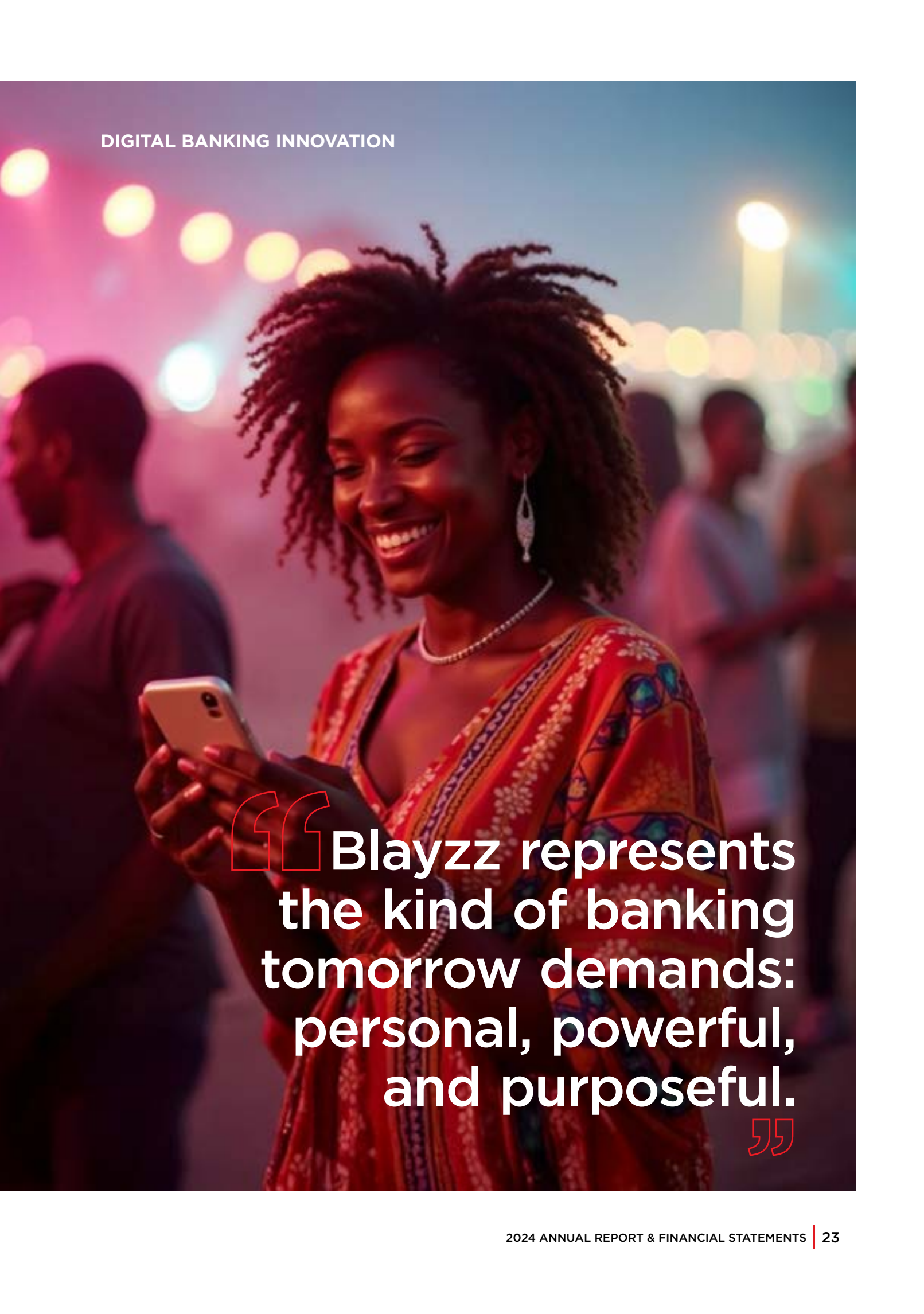
For too long, traditional banking has been a fragmented experience. Managing money often meant using one app to pay bills, another to shop, yet another to access credit or insurance—all while dealing with hidden transaction charges and long approval delays. The gap between financial products and the real needs of individuals kept widening. Blayzz was built to bridge that gap. It is a financial lifestyle ecosystem where technology meets everyday aspirations, helping users move effortlessly between saving for their next goal, financing a major purchase, or simply paying routine bills without friction or fees.

Everything about Blayzz is designed to make life easier. Transfers are free. Bills are paid without extra charges. Insurance premiums for vehicles and gadgets can be spread over time with 0% interest. Shopping is flexible with buy-now-pay-later options, and financing for cars or solar products is easily accessible. For those focused on financial growth, SavePro helps their money work harder, with interest rates of up to 12% per annum. Budgets are automated with PiggySaver, offering additional incentives for disciplined savers. Even global financial updates are delivered in real time, making Blayzz not just a financial tool but a companion in both decision-making and wealth creation.

But beyond convenience and financial empowerment, Blayzz reflects a deeper responsibility: sustainability. We believe the future of finance must also support the future of the planet. Through strategic partnerships with solar merchants, Blayzz helps users embrace renewable energy without financial strain. Customers can now acquire solar solutions and spread payments over time, helping homes and small businesses reduce their dependence on fossil fuels and unreliable power sources. This commitment to sustainability is not a marketing tagline—it's a guiding principle. As Blayzz grows, so will its role in financing green businesses, championing sustainable innovation, and contributing meaningfully to Nigeria's transition to a cleaner economy.

To ensure growth and reach, Blayzz operates on three key business models: directly to consumers through seamless onboarding and referral rewards, to businesses with merchant storefronts and payment solutions, and through merchants to their customers—each channel designed to scale inclusively and efficiently.

Blayzz stands at the core of our growth ambitions. It plays a critical role in PremiumTrust Bank's 2025 retail strategy, with a bold target of acquiring one million users within a year of launch. Every feature, every design choice, and every partnership is aimed at making that goal a reality. More importantly, it's about creating a digital ecosystem that is personal, powerful, and purposeful. We are not just building features; we are shaping experiences. We are not just delivering convenience; we are unlocking possibilities. And as we look to the future, we see Blayzz not just as a product, but as a movement—one that redefines what banking can be in the lives of Nigerians and beyond.

A photograph of a young Black woman with her hair in braids, smiling warmly while looking at her smartphone. She is wearing a colorful, patterned top and a pearl necklace. The background is a blurred night scene with warm, bokeh lights from a crowd, suggesting a social gathering or event.

“Blayzz represents the kind of banking tomorrow demands: personal, powerful, and purposeful.”

“ Our commitment to employee development ensures that our workforce remains adaptable, engaged, and equipped to meet both current and future challenges. ”





PEOPLE REPORT

GREAT PLACE TO WORK

A Testament of our Commitment to a Positive, Inclusive, and Empowering Work Environment.

At the heart of the bank is a steadfast commitment to fostering a positive, inclusive, and empowering work environment. We recognize that our people are our greatest asset, and we are intentional about building a culture that equips them with the right tools and technological platforms to deliver exceptional digital experiences and drive innovation.

Through this commitment, we have cultivated a workplace community where employees are deeply aligned with the bank's vision, trust in the leadership's capacity to deliver on strategic objectives, take pride in their contributions, and enjoy strong bonds of camaraderie with their colleagues. This has resulted in a superior employee experience that directly supports the bank's sustained high performance.

In just two years of operation, our employees participated in the Great Place To Work Survey, affirming the quality of our work environment with a remarkable Trust Index score of 90%. This achievement placed us in the prestigious Platinum Category—the highest possible classification—marking an unprecedented milestone in the Nigerian banking industry.

The Trust Index score reflects employees' strong perceptions of the bank's leadership credibility, fairness, and respect, as well as the pride they take in their work and the positive relationships they share with their peers. In recognition of our continued efforts, we have not only been certified as a Great Place To Work, but also received additional awards from the institute, including being named the Best Workplace for Women in the large organization category and ranking among the Top 10 Best Workplaces in Nigeria.

We actively promote a culture rooted in trust, respect, and empowerment—where every employee feels valued and supported to thrive. Our leadership exemplifies transparency, accountability, and open communication, fostering an environment that motivates and engages our people to deliver outstanding results.

We offer a comprehensive range of employee-centric policies, wellness programs, and professional development opportunities that support the holistic growth and well-being of our workforce. These strategic investments in our people have translated into a consistently elevated employee experience and sustainable organizational financial performance over the past three years.

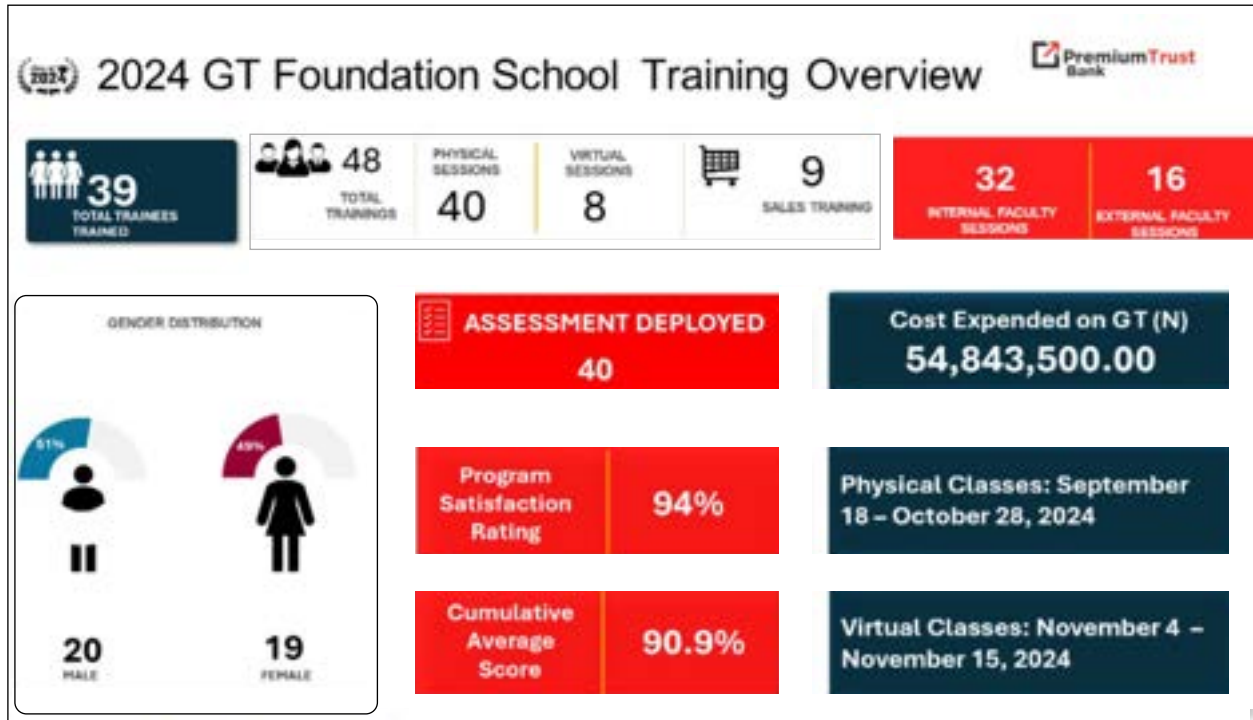
BUILDING LEADERSHIP THROUGH A FUTURE-ORIENTED LEARNING CULTURE

Graduate Trainee Programmes

PremiumTrust Bank is conscious of the future need for talents who would take over the reins of leadership, and this has motivated us to start equipping our next generation of leaders through our Graduate Trainee Programme.

PremiumTrust Graduate Trainee Programme is an incredibly structured and comprehensive initiative designed to build strong leadership pipelines and nurture the next generation of talent. The program focuses not only on technical knowledge but also on personal development, social interaction, and the cultural aspects necessary to thrive within the financial industry. It is a talent selection and development process for entry-level positions in the Bank. This is to enable the bank to build a talent pool, select best-in-class talent, ease selected candidates into the world of work, and give them the

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skills necessary to become effective members of the organization. It is designed as an intensive onboarding program aimed at equipping newly recruited graduate trainees with the knowledge, skills, and organizational culture required to excel in their respective roles in the financial industry. The program spanned a structured period, combining classroom-based learning, experiential projects, interactive sessions with subject matter experts, and soft skills development.

The rigorous exercise to select the talents for the **Foundation School 2.0 (2nd edition)** commenced with about **45,000 applicants**, out of which **14,000 eligible** candidates proceeded to various stages of the program, culminating in the selection of 42 candidates, and finally, **39 candidates** proceeded to the Foundation School.

The 2024 Graduate Trainee Foundation Programme consists of 6 weeks of in-person, residential training with 40 sessions, and 2 weeks of virtual classes comprising 8 sessions. During the residential training, the Bank provides comfortable accommodation, transportation, meals, and training materials—including laptop bags, writing materials, water bottles, and branded T-shirts—for all participants.

A total of **39 trainees (20 males and 19 females)** commenced the programme with us at our serene and exclusive PremiumTrust Redemption City Learning Hub.

The facility provided an ideal environment for effective learning, meaningful social interaction, and a safe, conducive atmosphere. Following the residential training, the programme transitioned to two weeks of virtual classes.

The 2024 Graduate Trainees (The Elites) were exposed to a comprehensive curriculum covering a wide range of topics, including PremiumTrust Culture, Credit, Treasury, Trade, Microsoft Office, Financial Modelling and Analysis, Emotional Intelligence, among others. In addition to technical and professional courses, the trainees also benefited from lifestyle learning modules such as etiquette, poise, and wellness activities.

The Programme was highly rated by the participants achieving an overall excellent score of 94%, with strong feedback on its effectiveness, leadership development impact, social engagement, quality of facilitators, and learning environment.

All thirty-nine (39) trainees successfully graduated at the prestigious Foundation School Ceremony held on January 15, 2025. The event was graced by The Trailblazers (graduates of the previous cohort), the Managing Director/CEO of PremiumTrust Bank, and the President of CIBN, Professor Pius Deji Olanrewaju, PhD, FCIB, who served as Guest Speaker. The ceremony underscored the quality of training and development delivered throughout the programme.



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The Graduate Trainee Programme represents the Bank's strategic commitment to talent development and leadership excellence. It is designed not only to prepare future leaders but also to strengthen the Bank's contribution to the growth and sustainability of the financial industry.

CONTINUOUS LEARNING AGENDA: EMPOWERING EMPLOYEES FOR FUTURE SUCCESS

At PremiumTrust Bank, we recognize that continuous learning is key to maintaining a competitive edge in an increasingly agile and evolving financial landscape. Our commitment to employee development ensures that our workforce remains adaptable, engaged, and equipped to meet both current and future challenges. Through our Continuous Learning Agenda, we enable our employees to learn, unlearn, and relearn, fostering a culture of lifelong learning and growth.

Training and Development in 2024

In 2024, we rolled out over 65 learning programmes that reached more than 400 employees across the organization. These programs were designed to enhance both technical and soft skills, and they included a blend of physical and virtual training sessions. Collectively, employees engaged in a total of 56,065 training hours—a significant investment in their growth and development.

Our training programs covered a variety of subject areas, such as:

- Regulatory Compliance
- Technical and Operational Skills
- Leadership Development
- Soft Skills Enhancement

In addition, our bi-monthly Premium Knowledge Exchange (PKE) sessions allowed various departments to showcase their products, processes, and expertise, with a total of 24 PKE sessions conducted in 2024.

Global Learning Exposure

As part of our commitment to providing world-class learning opportunities, 24 employees—representing about 5% of our workforce—were selected to participate in international training programs. These opportunities took place in countries including China, South Africa, the United States, Kenya, and Ghana. This exposure is critical in broadening our employees' perspectives and enriching their global competency, allowing them to apply new insights to their roles back home.

LEARNING ON THE GO: LAUNCH OF THE LEARNING MANAGEMENT SYSTEM (LMS)

In our drive to enhance the accessibility and flexibility of learning, we launched our Learning Management System (LMS) in October 2024. This platform empowers employees to engage with a broad range of courses and training materials at their own pace, further facilitating personalized development.

LMS Adoption and Impact

By the end of 2024, 356 employees had been onboarded onto the LMS platform, marking a successful initial adoption rate. The system enables employees to pursue personalized learning paths, promoting self-directed development and ensuring that learning extends beyond the traditional classroom setting. With this platform, employees can access the training they need when they need it, regardless of location.

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Key Benefits of LMS Implementation:

- **Convenient Learning Access:** Employees can learn at their own pace, fitting learning into their schedules.
- **Personalized Development:** The LMS tailors learning experiences to meet the individual development needs of each employee.
- **Scalable Growth:** The platform enables the bank to provide continuous learning opportunities to a larger, more diverse workforce without the logistical challenges of in-person training.
- **Holistic Skill Development:** With a broad array of courses available, employees have the flexibility to enhance both technical and soft skills, contributing to their overall effectiveness and career progression.

In 2024, PremiumTrust Bank continued to invest in its most valuable asset—its people. Through our Graduate Trainee Programme, Continuous Learning Agenda and the introduction of the Learning Management System (LMS), we have laid the foundation for a workforce that is not only skilled but also agile and resilient. These initiatives help ensure that our employees are equipped to excel in their current roles while preparing for future opportunities within the organization.

Looking ahead, we remain committed to fostering a culture of learning that empowers our employees to continuously evolve, contribute to the achievement of the bank's strategic objectives, and deliver exceptional value to our customers.

TALENT SUSTAINABILITY THROUGH SUCCESSION PLANNING AND CAREER DEVELOPMENT

At PremiumTrust Bank, we understand that talent is our most valuable asset. To ensure the continued success of the organization, strengthen leadership capacity, and sustain business growth, we implemented a series of strategic initiatives focused on succession planning and career development in 2024. These efforts were designed to deepen our internal talent pool, prepare high-potential employees for future leadership roles, and foster a culture of continuous learning and growth.

Succession Planning: Ensuring Leadership Continuity

In 2024, PremiumTrust Bank carried out a comprehensive succession planning exercise across critical functions and leadership positions. This exercise was increasingly

necessary to ensuring the availability of a strong talent pipeline capable of sustaining the bank's vision and driving long-term strategic outcomes.

Key Achievements:

- **22 High-Potential Successors Identified:** A total of 22 high-potential employees were identified as potential successors for leadership roles within the organization.
- **Robust Assessment Tools:** A variety of assessment tools were used to evaluate the readiness of these candidates, ensuring they were well-prepared to step into key leadership roles when required.
- **Customized Development Plans:** Tailored learning and growth plans were developed for each successor, incorporating:
 - **Stretch Assignments:** Challenging projects designed to build leadership and problem-solving skills.
 - **Project-Based Learning:** Exposure to diverse projects to hone technical and leadership abilities.
 - **Coaching and Mentoring:** One-on-one support from senior leaders to facilitate personal and professional growth.
 - **Cross-Functional Exposure:** Opportunities for successors to engage with different areas of the business, fostering a holistic understanding of the organization.

Through this approach, we have enhanced our leadership visibility and strengthened our continuity planning, while simultaneously increasing employee motivation and long-term engagement.

Career Development: Empowering Employees for Growth

To complement our succession planning efforts, the Bank also focused on providing employees with the tools, visibility, and support needed for career advancement. In 2024, we introduced several key initiatives to reinforce our internal mobility culture and deepen employee engagement.

Key Career Development Initiatives:

- **Maiden Career Management Workshop:** This inaugural workshop equipped employees with strategies for career empowerment. It focused on providing



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employees with the necessary tools to chart their professional growth and development within the bank, including:

- o Career mapping
- o Goal setting and achievement strategies
- o Personal development resources
- **Digital Career Clinic Advisory Platform:** Launched in 2024, this platform provided employees with personalized support for career transitions, role alignments, and internal mobility opportunities. Key features included:
 - o **Career Transitions:** Guidance for employees seeking to transition into new roles or departments within the bank.
 - o **Job Shadowing Opportunities:** A chance for employees to gain insights into different roles within the bank.
 - o **Customized Career Development Plans:** Personalized plans to help employees reach their career goals within PremiumTrust Bank.

Empowering Employee Growth:

These initiatives allowed employees to take ownership of their careers, equipping them with the skills, clarity, and support necessary to advance within the organization. The Digital Career Clinic has been particularly effective in providing tailored career guidance, helping employees align their aspirations with the bank's strategic goals. Also, other talent development activities includes:

- **Mentorship by Senior Leaders:** Senior business leaders were selected as mentors to guide and support the trainees throughout their development journey, providing valuable knowledge transfer and career guidance.
- **Leadership Development Focus:** The program emphasized the development of key leadership competencies, including decision-making, communication, and strategic thinking.
- **Fresh Perspectives:** The mentee brings fresh and diverse learning experiences, thereby fostering innovative ideas that contribute to business success.

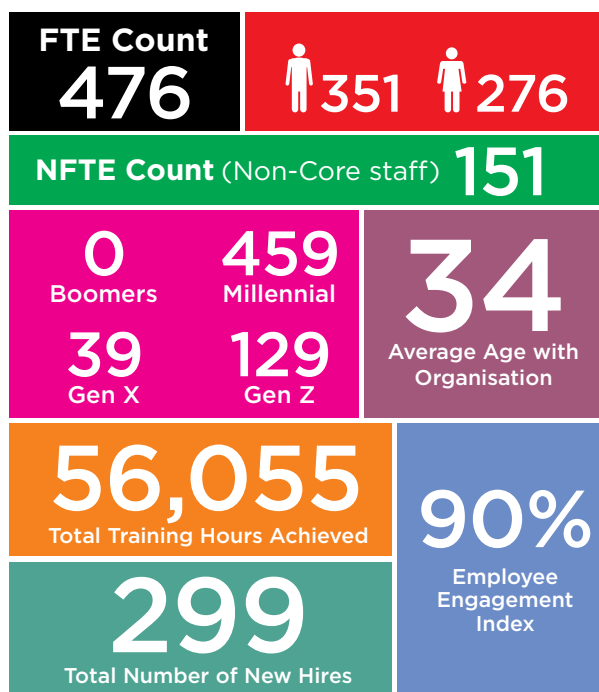
Impact of Talent Sustainability Initiatives

In 2024, our succession planning and career development efforts have had a profound impact on the organization:

- **Improved Leadership Readiness:** The identification and development of high-potential successors has strengthened leadership continuity across the bank.
- **Increased Internal Mobility:** With a strong emphasis on internal mobility, more employees were able to move within the organization, fostering a culture of growth, opportunity and learning.
- **Employee Engagement and Retention:** The Bank's commitment to career development initiatives and succession planning has resulted in higher employee engagement and long-term retention.

CONCLUSION

In 2024, PremiumTrust Bank focused on talent sustainability by implementing strategic initiatives in succession planning and career development. These efforts have positioned us to sustain our leadership capacity, enhance internal mobility, and foster a culture of growth and innovation and build an agile organisation. As we look to the future, we remain committed to continuing our investment in long-term talent sustainability, ensuring that our people remain the core strength of the bank's continued success and innovation.



Together for growth

At PremiumTrust Bank, sustainability means conducting business in a manner that promotes financial growth, social development, and environmental protection. We prioritize long-term value creation over short-term gains, and we strive to align our business model with national and global sustainability goals.



SUSTAINABILITY REPORT

2024 marked a pivotal year for PremiumTrust Bank as we continued our journey towards becoming a sustainable and responsible financial institution. Through intentional strategies, policies, and programs, we have strengthened our commitment to sustainability, in alignment with global best practices and the Central Bank of Nigeria’s Sustainable Banking Principles (SBPs).

As a fast-growing institution with a strong performance record, we have made it a priority to embed ESG considerations across our governance structures, investment portfolios, and community engagements.

Our Commitment to Sustainability

At PremiumTrust Bank, sustainability means conducting business in a manner that promotes financial growth, social development, and environmental protection. We prioritize long-term value creation over short-term gains, and we strive to align our business model with national and global sustainability goals, including the United Nations Sustainable Development Goals (SDGs).

Our sustainability strategy is built around five core pillars:

- Embedding ESG in governance and decision-making.
- Driving inclusive and responsible finance.
- Minimizing our environmental footprint.
- Empowering our people and communities.
- Ensuring transparency, ethics, and accountability.

ESG PERFORMANCE & RISK MITIGATION

In line with our commitment to responsible banking, PremiumTrust Bank integrates Environmental and Social (E&S) risk considerations into all lending decisions. In 2024, we strengthened our E&S Risk Management System, ensuring that all credit exposures were assessed based on potential social and environmental impacts.

Projects are classified as High, Medium, or Low Impact, in accordance with global best practices and the Bank’s Credit Policy Guidelines. This categorization supports responsible financing and ensures that we work closely with clients to mitigate adverse impacts while promoting long-term sustainability. Our approach aligns with the Equator Principles IV, and our credit process continues to prioritize ESG criteria in client assessment, product development, and loan structuring.

Below, is the breakdown of the bank’s Loan Portfolio, in line with Equator Principles IV requirements for the period, January 1 to December 31, 2024.

SECTOR	E & S Risk Categories			
	Low	Medium	High	Total
Administrative and Support Service Activities	3		-	3
Agriculture	15		-	15
Arts, Entertainment and Recreation	2		-	2
Construction	133	4	-	137
Education	4		-	4
Finance and Insurance	4		-	4
General	256	1	-	257
General Commerce	75	2	-	77
Government	8		-	8
Human Health and Social Work Activities	2		-	2
Information and Communication	3		-	3
Manufacturing	57	10	-	67
Oil and Gas	24	2	-	26
Power and Energy		1	-	1
Professional, Scientific and Technical Activities	4	2	-	6
Real Estate	5	2	-	7
Transportation and Storage	2		-	2
Water Supply, Sewage, Waste Mgmt. and Remediation Act.	1		-	1
	598	24	-	622

SUSTAINABILITY REPORT

Initiatives under the ESG Anchors

Environmental Initiatives

In 2024, we made significant strides toward reducing our environmental footprint:

- Retrofitted all branches and offices with energy-efficient LED lighting and solar hybrid backup systems, reducing our energy consumption by over 25%.
- Migrated 50% of our internal processes to a fully digital platform, drastically reducing average paper usage. (Note: 8 branches were launched in 2024)
- Partnered with licensed waste recycling companies to manage waste from our office operations.
- Increased the number of pool cars and Staff buses to encourage car-pooling and reduce the number of individual cars on the road. This action led to a significant reduction in the bank's carbon emissions by approximately 22%.

Social Performance

- **Employee Welfare:** Prioritizing the well-being and development of our employees through various programs and benefits:
 - Upward salary reviews and introduction of fuel cost support.
 - Introduction of a Guaranteed Performance Pay (GPP) structure.
 - Promotion exercise for more than 25% of staff.
 - Graduate Trainee Program: Training and absorbing 39 new graduate trainees.
 - Comprehensive compensation and benefits package, including health coverage and leave policies.
 - Whistleblowing and Grievance Mechanism policies to address employee concerns.
- **Customer Satisfaction:** We prioritize customer satisfaction by adopting a customer-centric approach to product design and service delivery.
 - Ensuring products meet customer needs through co-creation and continuous engagement.
 - Providing ongoing support and expanding our network to enhance accessibility.
 - Upholding customer rights and implementing a robust Complaints Handling Policy.
- **Commitment to Human Rights:** We are dedicated to respecting human rights, as outlined in the International Bill of Human Rights and the International

Labour Organization conventions. Our People Policy includes a non-discrimination stance, prohibiting child labour, forced labour, and discrimination. We promote diversity and inclusion in the workplace by implementing gender inclusion policies and increased female representation in leadership roles. Also, we deployed a staff wellness program, including mental health support, fitness incentives et al.

- **Training and Capacity Development:** We invested in various training programs for our staff in 2024:
 - **PremiumTrust Graduate Trainee Foundation School:** Trained 39 graduate trainees with a 95% satisfaction rate.
 - **Offshore Trainings:** Provided global exposure and advanced skill acquisition for staff.
 - PremiumTrust Bank Learning Management System (LMS): Successful deployment of the mobile version and internet access.
 - **Technical Trainings:** 47 technical training programs to enhance skills and productivity.
 - **Total Staff Trained:** 509 staff trained in technical and soft skills.
 - **Premium Knowledge Exchange:** 24 sessions conducted with an average performance of 84% in quizzes.

Governance

PremiumTrust Bank is committed to maintaining the highest standards of ethical conduct and transparency in all our business dealings.

- **Ethical Business Conduct:** Adhering to regulatory requirements, promoting transparency and accountability, and fostering a culture of integrity.
 - Our Code of Business Conduct and Ethics Policy prohibits corruption, money laundering, and bribery.
 - No fines were incurred for staff misconduct or violations of environmental laws in 2024.
 - Integrated ESG risk factors into our enterprise risk management framework and capital planning process.
 - Provided quarterly sustainability reports to CBN
 - Conducted anti-corruption and ethics training for 100% of staff.
 - Reviewed and updated our Code of Ethics and internal whistleblowing channels.



SUSTAINABILITY REPORT

ESG Progress Scorecard (2024)

Metric	2023 Value	2024 Value	Change (%)
Environmental Metrics			
Energy Consumption (kWh)	174451 kWh	216249 kWh	+23.96%
Paper Usage (reams/year)	200	295	+47.5%
Carbon Emissions (kg CO ₂ e)	1296674	1013043	-21.87%
Green Building Certifications (% of branches certified)	100%	100%	0%
Waste Recycling Rate (% of total waste)	0%	0%	-
Social Metrics			
Female Representation in Workforce (%)	52%	54%	+2%
Employee Volunteer Hours (total/year)	24 hours	8 hours	-200%
Number of Financial Literacy Sessions Held	1	1	0%
Customer Complaints Resolved Within SLA (%)	94%	95%	+1%
Training Hours per Employee (ESG related)	16 hours	16 hours	-
Governance Metrics			
Executive Management Diversity (% by Gender)	50%	50%	0%
Board Diversity (% by Gender)	14%	14%	0%
Independent Directors (% of Total Board Members)	14%	14%	0%
ESG Policy Coverage (Yes/No)	Yes	Yes	-
Whistleblower Reports Resolved (%)	100%	100%	0%

- Board Oversight:** Our board of directors oversees ESG-related matters and integrates sustainability into our strategic decision-making and risk management. There was a training programme on “Integrating ESG into Innovative Strategy” for the Board members organized by FITC on the 30th of November, 2024.
- Stakeholder Engagement:** We actively engage with our stakeholders to understand their perspectives and incorporate feedback into our practices.

INVESTING IN PEOPLE & COMMUNITIES

At PremiumTrust Bank, the bank’s philosophy of “*Together for Growth*” drives her vision, ensuring the bank leaves a legacy of positive impact wherever it operates. Hence, our CSR efforts have created opportunities for thousands, fostering health, fitness, and economic participation.

PremiumTrust Bank believes in inclusive economic growth, and we channel our CSR efforts toward education, sports, health, and community development. PremiumTrust Bank is committed to fostering sustainable development and social responsibility across all

aspects of its operations. As part of this commitment, the bank has sponsored several key events aimed at promoting community engagement, sports development, gender equality, and holistic societal well-being. This below highlights the impact of these sponsorships on the bank’s Corporate Social Responsibility (CSR) initiatives.

Community Investment

PremiumTrust Bank under the leadership of her MD/CEO, Mr. Emefienim has demonstrated commitment to socio-economic empowerment and community investment, extending both within and beyond the banking sector. In 2024 the MD/CEO implemented impactful programs in Warri, Delta State, including:

- the establishment of scholarship schemes for indigent children,
- the launch of empowerment initiatives for the less privileged and widows, and
- the execution of community development projects such as the construction and beautification of roadways and various state-owned facilities.

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As part of the Bank's commitment to supporting women in leadership, 2024 also saw the elevation of more women to senior management positions within the bank, strengthening its leadership diversity. The emphasis on gender inclusivity speaks to a robust corporate governance structure, demonstrating a commitment to ethical leadership and equitable representation at all levels. The bank has also been recognized as the *Best Workplace for Women in 2024*, underscoring its dedication to creating a supportive and equitable workplace for women.

Support to Ekiti State Government in Improving the wellbeing of People with Disabilities and vulnerable populations in the State

In a remarkable display of Corporate Social Responsibility, Premium Trust Bank took a significant step to support the Community of People with Disabilities in Ekiti State. The bank's team, led by Managing Director, Emmanuel Efe Emefienim, CON, embarked on a facility tour to the proposed building for Children Therapy Centre and the Government Special School for Persons with Physical and Intellectual Disabilities in Ado-Ekiti, accompanied by the Ekiti State Government Officials, led by the Special Adviser on Special Education and Social Inclusion, Princess Adetoun Agboola and supported by the Special Adviser on Tertiary Education, Prof. Mayowa Akeem Azeez.

This visit was part of the bank's initiative to support the social inclusion drive of Governor Biodun Abayomi Oyebanji in Ekiti State. Furthermore, the visit championed the following transformative projects:

- I. Provision of scholarships to over 50 orphans in Ekiti State;
- II. The renovation and equipping of a centre for special children with disabilities in Ado-Ekiti;

- III. the construction of a modern kitchen and dining hall at the Special Correctional Centre for Girls in Idi-Araba.

All of these reflect deep commitment to improving access to education, care, and better living conditions for disadvantaged groups and 'The Girl child'.

International Women's Day Pioneering Event: Inspire Her - Inspiring Women for Growth and Inclusion

In a landmark celebration of International Women's Day, PremiumTrust Bank hosted an empowering event themed "*Inspire Her: Inspiring Women for Growth and Inclusion*", aligning with the global theme of "Inspire Inclusion". The event, which held on March 8, 2024, was a testament to the bank's commitment to fostering an inclusive environment that champions the growth and empowerment of women across various sectors.

At the event, the MD/CEO - Emmanuel Efe Emefienim (CON) in his speech emphasized the critical role women play in corporate decision-making and the broader economy. He affirmed that, "Women possess immense potential that when harnessed in decision-making roles, can lead to unparalleled growth and innovation" as is the case with PremiumTrust Bank. Hence, solidifying PremiumTrust Bank's dedication to women's advancement.

The event saw the introduction of '**ShePremium**', a novel financial product designed to support the individual and business growth of women, showcasing the bank's ongoing mission to provide novel solutions that cater specifically to women.





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Sponsorship of SpeakHer Hub Network Event (October 2024)

PremiumTrust Bank also partnered with the SpeakHer Hub Network to sponsor the SpeakHer event in October 2024, which was centered around providing a valuable platform for hundreds of young, businesswomen and career women to enhance their public speaking skills, network with industry peers, and gain valuable insights from seasoned professionals.

Health and Wellness

At PremiumTrust Bank, we recognize that a healthy workforce is vital to sustaining productivity, innovation, and employee engagement. In 2024, we deepened our investment in staff health and wellness through a holistic approach that promotes physical, mental, and emotional well-being.

Key initiatives included the introduction of a comprehensive wellness program covering annual medical checkups, access to top-tier Health Maintenance Organizations (HMOs), mental health awareness sessions, and personalized counselling support. Besides the annual medical check up, the People Management Group published a newsletter tagged “Wellness Wednesday” under which health tips are communicated to staff. We also implemented Fuel Support Allowances and upgraded staff facilities to ease financial and logistical burdens amid economic shifts.

Through fitness campaigns, ergonomic workspaces, and flexible working options, we ensured that employee well-being remains a priority. These efforts reinforce our commitment to creating a supportive and inclusive work environment where our people can thrive.

Sports Development

Our involvement in Sport development encompasses; continued sponsorship of the National Para-Athletics Team, empowering athletes with disabilities and launching the “Future Champions” program to support grassroots sports development in schools. Specifically, the 2024 highlights in sport development include:

Partnership with the Athletics Federation of Nigeria

PremiumTrust Bank’s 3-year partnership with AFN underscores its commitment to supporting Nigerian athletics at all levels. The three-year sponsorship includes financial support, training programs and grassroots initiatives aimed at nurturing young talent talents and developing future track and field stars. Through this initiative, the Bank contributes to the overall growth and success of Nigerian Sports.

CSR Impact:

- Fosters talent development and youth empowerment.
- Promotes inclusivity and diversity in sports.
- Enhances the reputation of the bank as a supporter of local sports development

Sponsorship of the Abuja City International Half Marathon (April 2024):

The sponsorship of the Abuja City International Half Marathon reflects PremiumTrust Bank’s commitment to promoting health, wellness, and the spirit of healthy competition. The event brought together athletes and fitness enthusiasts from around the world to participate in the half marathon event that promotes physical fitness and overall well-being.



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CSR Impact:

- Encouraged healthy lifestyles and physical fitness.
- Promoted tourism and economic development in Abuja.
- Raised awareness about the importance of regular exercise and physical activity.

RESPONSIBLE BUSINESS PRACTICES

At PremiumTrust Bank, responsible business practice is at the heart of our operations and governance culture. In 2024, we strengthened our commitment to ethical conduct, regulatory compliance, and stakeholder accountability across all levels of the organization.

We maintained zero tolerance for unethical behaviour by enforcing our Code of Business Conduct and Ethics, enhancing anti-bribery and corruption controls, and ensuring 100% staff compliance through regular training and certifications. Our whistleblowing and grievance redress mechanisms remained active and confidential, empowering employees and stakeholders to report concerns without fear of retaliation.

Furthermore, we embedded Environmental and Social Risk Assessments (ESRA) into our credit approval processes, ensuring that all lending activities align with sustainability principles and sector-specific standards.

By promoting transparency, integrity, and ESG-aligned decision-making, PremiumTrust Bank continues to build trust and long-term value for customers, regulators, and society at large.

DIGITAL TRANSFORMATION & FINANCIAL INCLUSION

In 2024, PremiumTrust Bank advanced its mission to drive **inclusive economic growth** through **strategic digital transformation**. By expanding access to digital financial services, we empowered underserved communities, enhanced customer experience, and streamlined operations for greater efficiency and reduced environmental impact.

We introduced mobile and agency banking platforms in rural areas, enabling financial access for unbanked populations, including women, youth, and smallholder farmers. Our zero-fee digital accounts and simplified onboarding processes further promoted financial inclusion while our mobile app upgrades ensured accessibility across diverse user groups.

This commitment aligns with our sustainability goals of **reducing inequality, supporting economic resilience, and fostering an inclusive financial ecosystem** for all.

Specifically, the following were the key highlights in the year 2024.

- Delegates were sent from the bank to the Lagos Business School (LBS) to attend the Sustainable, Inclusive Digital Financial Services (SIDFS) programme (April - July 2024). The SIDFS Lab is sponsored by **Bill and Melinda Gates Foundation** in partnership with LBS to help participants & cohorts drive the delivery of innovative and customer-centric financial products to underserved communities.
- Developed paperless customer onboarding through the Premium Mobile Application and Web customer onboarding.
- Introduced the EaziPass Credit Workflow to eradicate paper-based/manual loan processing systems.
- Launched Blayz App, a green mobile app version with improved accessibility features and capabilities for supporting green financing for Solar Panels, Inverters and other energy-saving home/office appliances.

Data Protection

As digital adoption grows, PremiumTrust Bank remains firmly committed to protecting customer data and ensuring cyber resilience. In 2024, we reinforced our information and cyber security framework by getting recertified with global standards such as ISO 27001, audited our compliance with PCIDSS (Payment Card Industry Data Security Standard) requirements, deployed advanced firewalls, conducted regular vulnerability assessments & penetration testing and conducted quarterly staff cybersecurity training.

We implemented multi-factor authentication across digital platforms, enhanced encryption protocols, and provided cybersecurity training to all staff. Our Data Protection Policy ensures compliance with Nigeria Data Protection Regulation (NDPR), safeguarding customer privacy and trust.

These measures support the safe expansion of digital financial services and reinforce our commitment to secure, inclusive, and responsible banking.



SUSTAINABILITY REPORT

ENVIRONMENTAL & SOCIAL MANAGEMENT SYSTEM (ESMS)

Our ESMS framework provides structure and control for managing environmental and social risks associated with our lending activities. It ensures that we:

- Categorize clients based on ESG risk exposure.
- Monitor high-risk clients through periodic ESG reporting.
- Provide ESG advisory to clients in sensitive sectors.

Alignment with CBN Guidelines:

- **Principle 1:** Integrated ESG risks into business strategy.
- **Principle 2:** Built capacity at all levels through training.
- **Principle 5:** Supported inclusive growth through targeted CSR.
- **Principle 6:** Instituted systems for monitoring and disclosure.

ESMS Structure:

- Risk Screening Checklists
- Sectoral Environmental Guidelines
- Corrective Action Planning Templates

STAKEHOLDER ENGAGEMENT

PremiumTrust Bank places strong emphasis on proactive stakeholder engagement as a cornerstone of sustainable business practice. In 2024, we deepened our relationships with key stakeholders—including regulators, customers, employees, investors, partners, and host communities—through transparent communication, continuous feedback loops, and shared-value initiatives.

We conducted regular surveys, community outreach programs, investor briefings, and staff engagement sessions to better understand stakeholder expectations and align our actions accordingly. Our People Management Group also deployed daily Mood Surveys and implemented support systems based on real-time employee feedback.

By fostering open dialogue and inclusive participation, we ensured that stakeholder perspectives helped shape our strategy, operations, and sustainability priorities.

This collaborative approach enhances trust, builds resilience, and drives long-term value creation for all parties involved.

In 2024, we scaled up our stakeholder engagement strategies as follows:

Regulators - Submitted quarterly sustainability disclosures to the CBN.

Investors - Hosted periodic briefings and published annual Financial & ESG performance summaries.

Employees - Trained over 500 employees on responsible finance, climate risk, and ethics.

Clients - Introduced green financing options for SMEs in energy, agriculture, and clean water sectors.

OUTLOOK FOR 2025

Following a remarkable 2024 marked by significant achievements, in 2025, PremiumTrust Bank is focused on:

- Becoming one of Nigeria's top 10 best-performing banks.
- Maintaining excellence in execution and exceeding customer expectations.
- Driving innovation and leveraging technology to deliver cutting-edge banking solutions.
- Fostering teamwork, collaboration, and customer-centricity.

We are committed to achieving our vision of becoming the preferred bank by 2027 and a leading voice in consumer banking across Africa by 2032.

CONCLUSION

PremiumTrust Bank is dedicated to integrating sustainability into all aspects of our operations. We believe that by prioritizing environmental stewardship, social responsibility, and ethical governance, we can create long-term value for our stakeholders and contribute to a sustainable future. Our path to sustainability is progressive, purposeful, and people centered. As we look ahead, PremiumTrust Bank remains committed to building a resilient, inclusive, and environmentally responsible banking future for Nigeria and beyond. Sustainability is not just a goal—it is our standard for doing business.

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Free Transfers



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@Zero Cost



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Pay Later

0%

Interest Rate for
Insurance Premium
Financing



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GOVERNANCE

PremiumTrust Bank's Directors,
their functions and Corporate
Governance

3



BOARD OF DIRECTORS

From L-R (Standing): From L-R: Mr. Anthony Adejugbe, Mr. Charles Obukofe, Mr. Neville Atigan, Mr. Temitope Mark, Sir Emmanuel Onyekwena, Ms. Justina Lewa, Mr. Uchenna Igwebuike, Mr. Emmanuel Efe Emefienim, CON, FCIB, Dr. Godwin Abhulimen, Dr. Perez Araka FNSE, Mrs. Olubukunola Awosanya, Mr. Olugbenga Omojola, Mr. Shina Atilola, Dr. Victor Olowogoroye.





BOARD OF DIRECTORS



Dr. Perez Araka, FNSE
Chairman

Dr. Perez Araka brings over two decades of postgraduate experience in the oil & gas and emerging sectors to the board of PremiumTrust Bank Limited. Currently serving as the Chairman/CEO of Gaplinks Energy Limited, PrimeWash Limited, and Greener Project, Dr. Araka holds a Bachelor of Technology (B.Tech.) in Agricultural Engineering, an MSc, and a PhD in Environmental Engineering from Rivers State University, Port Harcourt.

As an accomplished Engineer, Dr. Araka is affiliated with prestigious organizations such as The Council for the

Regulation of Engineering in Nigeria (COREN), The Nigerian Institution of Agricultural Engineers (NIAE), The Nigerian Institution of Environmental Engineers (NIEE), and the American Society of Agricultural and Biological Engineers (ASABE). He is also a Fellow of The Nigerian Society of Engineers (FNSE) and The African Business School (FABS).

Dr. Perez Araka's seasoned expertise is a valuable asset to PremiumTrust Bank, where he serves as the Chairman.



BOARD OF DIRECTORS



Emmanuel Efe Emefienim, CON, FCIB
Managing Director/CEO

Emmanuel Efe Emefienim, is an accomplished Banker with over 30 years experience spanning Middle and Senior Management levels within Operations, Treasury and Sales functions since 1992. He is an alumnus of the prestigious Harvard Business School where he graduated from the GMP and AMP programmes; the Wharton School, Pennsylvania (AMP 73) and INSEAD.

Prior to founding PremiumTrust Bank, he contributed immensely to the growth and success of Sterling Bank Plc rising to the position of General Manager in 2016 where he was responsible for the bank's Commercial & Institutional Banking business in South-South, South-East and Midwest Regions. Emmanuel is credited as the only Regional Business Head in the history of Sterling Bank to have run the most profitable regional business for 7 consecutive years (2011-2017). In 2018, Emmanuel was appointed to the Board of Sterling Bank Plc as Executive Director with responsibilities to oversee the Institutional Banking Directorate. Until his resignation in March 2022, his directorate was the most profitable year-on-year for three consecutive years.

Emmanuel currently serves as the Founder and Managing Director/CEO of PremiumTrust Bank. Under his leadership, the Bank achieved a record N14.1 billion profit in its first full financial year (2023), quadrupled its profit to N57.4 billion in

2024, and surpassed N1 trillion in Balance Sheet size within just two years of operations. His visionary leadership has driven exceptional growth, earning PremiumTrust Bank multiple prestigious awards since inception in 2022 for innovation, growth, and workplace excellence respectively. These accolades underscore his commitment to building a distinguished, futuristic financial institution.

Emmanuel's contributions to Nigeria's financial sector have earned him national and industry recognition. He was named one of The Guardian's "50 Value-Driven CEOs of Excellence" in 2022, inducted as a Fellow of the Chartered Institute of Bankers of Nigeria (FCIB) in 2023, and currently serves on its Governing Council. In recognition of his exceptional service to Nigeria, he was conferred with the national honour of Commander of the Order of the Niger (CON) by the President of the Federal Republic of Nigeria, Senator Bola Ahmed Tinubu GCFR, and was most recently appointed to the Governing Council of the Federal University, Ado-Ekiti.

A contemporary CEO with a forward-looking approach, Emmanuel envisions PremiumTrust Bank as one of Nigeria's leading digital banks. He is passionate about national economic growth and deeply committed to youth empowerment and capacity-building initiatives.

BOARD OF DIRECTORS



Neville Atigan
Non-Executive Director

Neville Atigan serves as the Group Chief Operating Officer of Skyview Capital Limited and brings a wealth of experience to the Board of PremiumTrust Bank as a Non-Executive Director. Prior to joining Skyview Capital in 2008, Mr. Atigan had a commendable 7-year tenure in the oil & gas sector (2000-2007), supervising projects at the Shell Petroleum Development Company (SPDC) Forcados Yokri Integrated project.

Mr. Atigan holds a Bachelor's degree in Political Science from Edo State University, Ekpoma, and a Master's degree in Public Administration from the University of Benin. His professional affiliations include memberships with the Society for Human Resources Management (SHRM), the Chartered Institute of Personnel Management (CIPM), and the Chartered Institute of Human Resources and Strategic Management, among others.

Neville Atigan's role as a Non-Executive Director underscores his commitment to contributing strategic insights and operational excellence to PremiumTrust Bank.



Sir Emmanuel Onyekwena
Non-Executive Director

Sir Emmanuel Onyekwena, a seasoned technocrat with extensive management experience, holds a Masters in Business Administration and an academic background in Engineering Production. With a career spanning over 25 years, he has made significant contributions to renowned organizations such as Shell Petroleum Development Company (SPDC), TOTAL E & P, NAOC, and other major players in the oil and gas industry.

Among numerous accolades, Sir Onyekwena received the European award for best practices by the European Society for Quality Research (ESQR) and the PETAN award for excellence in service delivery to the oil & gas industry. His competencies span innovation, organizational development, conflict management, leadership, and client relationship management. He is affiliated with several professional bodies, including the Nigerian Institute of Safety Professionals, International Institute of Safety Management, British Safety Council, and the Nigerian-Canadian Business Association.

Sir Emmanuel Onyekwena's role as a Non-Executive Director on the Board of PremiumTrust Bank highlights his wealth of experience and strategic insights.



BOARD OF DIRECTORS



Olugbenga Imisi Omojola

Non-Executive Director

Mr. Olugbenga Omojola is a distinguished Management Consultant, Corporate Strategist, and Executive Coach renowned for his comprehensive understanding of Organizational Strategy, HR Management, and global best practices in Organizational Development. He holds the esteemed position of a Fellow at the Institute of Management Consultants, Nigeria, and the Institute of Strategic Management, Nigeria. Additionally, Mr. Omojola is a Member of the Institute of Personnel Management Nigeria (CIPM) and the Nigerian Institute of Training and Development. His professional journey is further enriched as an Alumnus of the London Graduate School.

With academic qualifications including a First Degree in Industrial and Labour Relations, an MBA in Human Resources Management, and an MSc in Organizational Behaviour, Mr. Omojola contributes his wealth of knowledge and expertise as a Non-Executive Director on the Board of PremiumTrust



Dr. Godwin Abhulimen

Non-Executive Director

Dr. Godwin Abhulimen, with well over 32 years of experience in the oil and gas sector, currently serves as the Managing Director/Chief Executive Officer of Desag Engineering and Services Limited. Holding academic qualifications including a B.Sc Degree from the University of Calabar, an Executive Masters Degree from the Project Management Institute, UK, a Masters Degree in Business Administration (MBA), and a Professional Doctorate Degree in Commerce - Information and Strategy Management from the Liberal Bilingual University Togo, Dr. Abhulimen also holds an award of Doctor of Business Administration (Honori Causa) from Prowess University, Delaware, USA, Dr. Abhulimen is a distinguished Fellow of various professional bodies, a member of the Institute of Management Consultants of Nigeria and an Eminent Peace Ambassador of the International Association of World Peace Advocate (United Nations Peace Volunteers).

His extensive career includes top Executive Management positions at Lee Engineering and Construction Company Limited, where he contributed significantly to the company's growth and development. Dr. Godwin Abhulimen's role as a Non-Executive Director on the Board of PremiumTrust Bank reflects his commitment to leveraging his vast industry experience to contribute to the bank's strategic direction.

BOARD OF DIRECTORS



Charles Omoefe Obukofe, FCA, ACTI
Non-Executive Director

Charles Omoefe Obukofe, a banking industry veteran with nearly thirty years of experience, serves as a Non-Executive Director on the Board of PremiumTrust Bank. His illustrious career includes senior management positions in Equatorial Trust Bank Limited and Sterling Bank PLC, where he retired as an Assistant General Manager in March 2022.

Mr. Obukofe holds a B.Sc. in Finance from the University of Nigeria and an MBA from Ondo State University. As a Fellow of the Institute of Chartered Accountants of Nigeria (ICAN) and an Associate of the Chartered Institute of Taxation of Nigeria (CITN), he brings a wealth of financial expertise to the Board.

Charles Obukofe's extensive banking experience, combined with his continuous education at prestigious institutions such as Harvard Business School, positions him as a valuable contributor to PremiumTrust Bank's strategic direction.



Anthony Olusola Adejugbe
Non-Executive Director

Mr. Anthony Adejugbe is a seasoned executive and distinguished professional in the oil and gas industry, bringing over three decades of leadership and technical expertise across the petroleum value chain. He currently serves as Chairman and Chief Executive Officer of Allshore Corporate Ventures Limited, Chief Executive Officer of Patoch Global Energy Ltd, and Director at Nomo & Sons Integrated Services Ltd.

A graduate of the Federal Polytechnic, Ado Ekiti, Mr. Adejugbe holds a degree in Industrial/Analytical Chemistry (1983) and an MBA in International Business from Lincoln University, California, USA. His strong academic foundation, complemented by extensive local and international industry training, has equipped him with a comprehensive understanding of global oil and gas operations.

Mr. Adejugbe began his career at Pipelines and Products Marketing Company (PPMC), a subsidiary of the Nigerian National Petroleum Corporation (NNPC), in 1984. Over a distinguished 37-year tenure, he rose through the ranks to the position of Senior Manager before voluntarily retiring in 2021. He subsequently co-founded an international oil and gas company focused on trading, shipping, marine logistics, engineering, and project management.

With substantial ownership interests in multiple oil servicing and marketing companies, Mr. Adejugbe is recognized as a prominent figure in Nigeria's oil and gas landscape. As a Non-Executive Director on the Board of PremiumTrust Bank Limited, he contributes meaningfully to the Bank's strategic direction, governance, and long-term growth.



BOARD OF DIRECTORS



Dr. Victor Olumide Olowogoroye,
FCA, ACTI
Non-Executive Director

Victor Olumide Olowogoroye is a seasoned Chartered Accountant, accomplished Banker, and Finance and Management Expert with extensive experience in Audit and Taxation, Banking, Business Development, Credit, and Marketing. Having spent over two decades in the Financial Sector, he progressed to senior management positions before transitioning into management consulting, financial advisory, and private enterprise.

He is a member of several professional bodies, including the Institute of Chartered Accountants of Nigeria (ICAN), Chartered Institute of Bankers of Nigeria (CIBN), Chartered Institute of Taxation of Nigeria (CITN), Institute of Management Consultants (IMC), and the Harvard Business School Association of Nigeria (HBSAN).

Victor has participated in numerous professional courses both in Nigeria and internationally, including the Harvard Business School's GMP, the London Graduate School's Master Class Program, and a specialized Cybersecurity course in October 2024. His expertise in Cybersecurity, coupled with his deep understanding of financial management and risk oversight, enhances his ability to navigate the evolving digital landscape in the banking industry.

As a Non-Executive Director on the Board of PremiumTrust Bank, he brings a wealth of knowledge and strategic insight, contributing significantly to the Bank's growth, governance, and risk management frameworks.



Temitope Mark, FCA
Non-Executive Director

Temitope Mark is a seasoned professional with extensive experience in the financial services and consultancy sectors. He holds a degree in Accounting from the University of Lagos (1991), an MBA from Delta State University, and an MSc in Accounting from Novena University, Delta State.

He is a Fellow of the Institute of Chartered Accountants of Nigeria (FCA) since 1997, as well as a Fellow of the Institute of Management Consultants (Nigeria and UK), and an Associate of the Chartered Institute of Taxation of Nigeria.

With an impressive banking career spanning over 23 years (1991-2014), Tope has garnered extensive experience across various facets of the profession. His journey began in 1991 with the mandatory National Youth Service at the Central Bank of Nigeria, Sokoto Branch. He subsequently served in diverse roles at All States Trust Bank Plc (1992-1998) and Standard Trust Bank Plc (1998-2001), where he notably held the position of Group Head of Customer Services, overseeing operations across the entire South-South geopolitical zone. During his seven-year tenure at Devcom Bank Ltd/Equatorial Trust Bank Ltd (2001-2007), Tope rose to Senior Management, with responsibility for driving business development across the South-South region. In 2007, he joined United Bank for Africa Plc, where he progressed to Executive Management level, culminating in his appointment as Regional Bank Head for Edo and Delta States until his resignation in 2014 at the rank of Assistant General Manager.

Currently, Tope serves as CEO of Graham Bridge Financial and Consultancy Services Ltd, a Lagos-based financial consultancy with operations in Delta State. His role as a Non-Executive Director on the Board of PremiumTrust Bank reflects his expertise in banking operations, auditing, marketing, relationship management, and financial control.

BOARD OF DIRECTORS



Uchenna Maduka Igwebuike
Independent Non-Executive Director

Uchenna Igwebuike, a Financial Engineer and Founder of Zanibal LLC, brings over 25 years of experience in designing and delivering strategic enterprise transformation programs in the private and public sectors. As the VP of Professional Services at MarkLogic Corporation and a Solution Architect at i2 Technologies, Mr. Igwebuike has consistently demonstrated expertise in Financial Market Software and Services.

Holding a Master's degree in Electrical Engineering from the University of Illinois, Chicago, and a Master of Science in Management Science from Stanford University, Mr. Igwebuike serves as an Independent Director on the Board of PremiumTrust Bank. His role underscores his commitment to contributing insights from diverse sectors and ensuring best practices in financial services.



Justina Akpoabugo Lewa ESQ
Independent Non-Executive Director

Ms. Justina Lewa is a Partner at the esteemed law firm of Chapitre LLP and serves as the Co-Chief Executive Officer of Legal at ELAMO LP. She holds a Bachelor of Laws degree from the University of Jos and a Master of Laws degree from the University of Lagos, and was called to the Nigerian Bar in November 1988.

Justina began her career at the Ministry of Justice, Plateau State, before joining NAL Bank Plc in 1990, where she rose to Senior Manager, Legal and Company Secretariat & Head of the Debt Recovery Team. She transitioned to Sterling Bank Plc, where she was appointed Company Secretary, Chief Legal Counsel, and Group Head, Credit Collections & Recovery. She also served as Company Secretary and Legal Adviser to some of Sterling Bank's subsidiaries (SAMTL and NSL) from 2009 to 2011.

Justina brings extensive legal and boardroom experience to PremiumTrust Bank, having served as Company Secretary & Chief Legal Counsel of Sterling Bank Plc, and also as a former Independent Non-Executive Director at BOI Microfinance Bank Limited. She is a seasoned Corporate Governance Practitioner and a Certified Board Evaluator.

Justina is a member of several professional bodies, including the Nigerian Bar Association, Chartered Institute of Bankers of Nigeria (HCIB), Institute of Chartered Secretaries and Administrators of Nigeria (ACIS), Chartered Institute of Arbitrators (MCI Arb UK), Business Recovery and Insolvency and Practitioners Association of Nigeria (BRIPAN), Institute of Directors of Nigeria (M.IoD), and Nigeria's Delegate to the International Court of Arbitration and ADR.

Justina currently serves as an Independent Non-Executive Director on the Board of PremiumTrust Bank



BOARD OF DIRECTORS



Olubukunola Awosanya, HCIB
Executive Director

Mrs. Olubukunola Awosanya, an experienced banking professional with over three decades of experience, serves as the Executive Director of Specialised Business and Corporate Banking at PremiumTrust Bank Limited. Holding a B.Sc. (Honours) degree in Agriculture (Animal Science) from the University of Ibadan and an MBA from the Business School Netherlands, Mrs. Awosanya has held various leadership positions in her banking career. She has also attended various courses in Harvard Business School, Columbia Business School, Wharton Business School, Lagos Business School, amongst others.

Her career highlights include pioneering roles in diverse departments such as Branch Operations, Domestic Operations, Treasury Operations, Credit Administration, Export Finance, Enterprise Risk Management, Agric. Finance and more. Before joining PremiumTrust Bank, she was a General Manager and the Divisional Head, Agriculture and Solid Mineral Finance at Sterling Bank Plc.

Mrs. Awosanya is a member of prestigious institutions such as the Institute of Directors of Nigeria (IoD), the Institute of Animal Science of Nigeria (NIAS), and a Fellow of the Institute of Credit Administration (FICA). She brings a wealth of experience to the board, ensuring excellence in specialised banking.



Shina Atilola, HCIB
Executive Director

Shina Atilola is an accomplished strategist and business development expert with over 25 years of experience in the banking industry. He currently serves as the Executive Compliance Officer and the Executive Director overseeing Risk Management, as well as Digital and Transaction Banking at PremiumTrust Bank Limited. In this dual capacity, he plays a critical role in shaping the bank's risk culture, ensuring sound risk governance frameworks, and driving innovation in digital banking solutions.

His broad expertise spans business strategy, marketing communications, branding, auditing, and mergers & acquisitions across leading financial institutions. He brings deep competence in risk oversight, having been instrumental in establishing enterprise-wide risk management structures that align with regulatory expectations and support sustainable growth.

Mr. Atilola holds a First-Class degree in International Relations and an MBA from Obafemi Awolowo University, Ile-Ife. Throughout his career, he has led the development and execution of strategic initiatives that have resulted in the successful launch of digital platforms and the incubation of forward-thinking banking solutions.

He is an associate member of both the UK and Nigerian Institutes of Public Relations, an Honorary member of the Chartered Institute of Bankers of Nigeria (CIBN), and serves on the Lagos Business School Alumni Governing Council. At PremiumTrust Bank, he brings to the Board a combination of entrepreneurial drive, strategic acumen, and strong risk management expertise, positioning the bank for resilience and innovation in a dynamic operating environment.

BOARD OF DIRECTORS



Chukwuemeka Nwaogu

Company Secretary

Barr. Chukwuemeka Nwaogu, the pioneer Chief Legal Counsel and Company Secretary of PremiumTrust Bank, is responsible for leading the bank's global legal and company secretarial functions. With nearly two decades of multi-disciplinary experience in legal advisory, corporate governance, company secretarial, compliance, and risk management, Emeka has navigated the legal waters of the Financial Industry from Insurance through Fintech and now Banking.

Emeka commenced his legal career as an in-house Solicitor with International Energy Insurance Plc (IEI), a leading energy insurance publicly listed company. Rising to the position of Head of Legal, he was strategically redeployed to pioneer and head the compliance unit. Subsequently, Emeka established the first specialized insurance law firm in Nigeria, offering core litigation and advisory functions, along with corporate secretarial services to various financial institutions.

In 2019, Emeka joined Paycom Nigeria Limited ("OPay") as their pioneer Chief Legal Counsel & Chief Risk Officer. He successfully oversaw an investment portfolio of over \$150 million and managed the legal portfolio of OPay's strategic affiliates such as ORide, OWealth, and other strategic investments and acquisitions.

Emeka, an Associate Member of the Chartered Insurance Institute of Nigeria, the Nigerian Bar Association, and the International Bar Association, holds a Bachelor of Law from the University of Nigeria and a Master's in International & Commercial Business Law from the University of East Anglia, Norwich, Norfolk, United Kingdom.

His rare ability to minimize legal risks and contractual liability associated with business operations reflects his expertise in Commercial and Business transactions. Emeka's role as Company Secretary underscores his strategic and solution-oriented legal expertise, contributing to PremiumTrust Bank's continued success.



DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

The Directors have pleasure in presenting to the members of Premium Trust Bank Limited ("the Bank") their report together with the audited financial statements for the year ended 31 December 2024.

Corporate Structure and Business

Legal form, principal activity and business review

Premium Trust Bank Limited was incorporated under the Companies and Allied Matters Act 2020 on 6th October 2021. It obtained a letter of approval for license from Central Bank of Nigeria (CBN) to operate as a Commercial Bank on 14th December, 2021 and commenced business effective 1st July 2022.

Premium Trust Bank Limited is engaged in commercial banking with emphasis on personal banking, trade services, corporate, investment and specialized banking activities. It also provides wholesale banking services including the granting of loans and advances, letter of credit transactions, money market operations, electronic and mobile banking products and other banking activities.

As at 31 December 2024, the Bank had a total of 19 branches in operation nationwide.

Operating Results

Highlights of the Bank's operating results for the year ended 31 December 2024 are as follows:

<i>In thousands of Naira</i>	12 months ended 31 Dec 2024	18 months ended 31 Dec 2023
Gross earnings	132,449,115	47,810,206
Profit before income and windfall taxes	57,396,797	14,148,678
Windfall tax	(67,638)	-
Income tax expense	(17,579,784)	(4,814,627)
Profit after income tax	39,749,375	9,334,051
Earnings per share (kobo) – Basic	152.9k	35.9k

Ownership of the Bank

As at 31 December 2024, the shareholding structure of the Bank consisted of 11 investors with the details and holdings shown below:

Names	Current Holding 2024	% Holding 2024	Current Holding 2023	% Holding 2023
1 Mavtop Oil and Gas Limited	10,989,333,333	42.27	10,989,333,333	42.27
2 SVC Mutual Limited	5,082,566,667	19.55	5,082,566,667	19.55
3 Skyview Capital Limited	3,571,533,333	13.74	3,571,533,333	13.74
4 Spices Kitchen Cuisine and Confectionery Limited	1,373,666,667	5.28	1,373,666,667	5.28
5 Emefienim Emmanuel Efe	1,274,000,000	4.90	1,274,000,000	4.90
6 Beecom Ama Associates Limited	961,566,667	3.70	961,566,667	3.70
7 MF Ventures Services Limited	892,883,333	3.43	892,883,333	3.43
8 Onyekwena Emmanuel	686,833,333	2.64	686,833,333	2.64
9 Perez Peremolade Araka	618,150,000	2.38	618,150,000	2.38
10 Abhulimen Godwin	343,416,667	1.32	343,416,667	1.32
11 Adejugbe Anthony Olusola	206,050,000	0.79	206,050,000	0.79
Total	26,000,000,000	100	26,000,000,000	100

DIRECTORS' REPORT

CONTINUED

The following shareholders have shareholding of 5% and above as at 31 December 2024:

	31-Dec-24 Unit holding	31-Dec-24 % holding	31-Dec-23 Unit holding	31-Dec-23 % holding
Mavtop Oil and Gas Limited	10,989,333,333	42.27	10,989,333,333	42.27
SVC Mutual Limited	5,082,566,667	19.55	5,082,566,667	19.55
Skyview Capital Limited	3,571,533,333	13.74	3,571,533,333	13.74
Spices Kitchen Cuisine and Confectionery Limited	1,373,666,667	5.28	1,373,666,667	5.28

Directors

The following Directors served during the period and as at the date of this report:

Name	Designation	Date appointed	Interest represented
Perez Araka	Chairman	April 1, 2022	
Emmanuel Efe Emefienim (CON)	Managing Director	April 1, 2022	
Emmanuel Onyekwena	Non-Executive Director	April 1, 2022	
Godwin Abhulimen	Non-Executive Director	April 1, 2022	Beecon Ama Associates Limited
Neville Atigan	Non-Executive Director	April 1, 2022	Skyview Capital Limited; SVC Mutual Limited
Charles Obukofe	Non-Executive Director	April 1, 2022	MF Ventures Services Limited
Olugbenga Imisi Omojola	Non-Executive Director	April 1, 2022	Spices Kitchen Cuisine & Confectionery Limited
Anthony Olusola Adejugbe	Non-Executive Director	April 1, 2022	
Uchenna Igwebuikwe	Independent Non-Executive Director	April 1, 2022	
Justina Lewa	Independent Non-Executive Director	April 1, 2022	
Shina Atilola	Executive Director	April 1, 2022	
Olubukunola Awosanya	Executive Director	April 1, 2022	
Dr. Victor Olowogoroye	Non-Executive Director	August 18, 2023	Mavtop Oil & Gas Limited
Temitope Mark	Non-Executive Director	August 18, 2023	

Director's interests in shares

Interest of directors in the issued share capital of the Bank as recorded in the Register of members and/or as notified by them for the purpose of Section 301 of the Companies and Allied Matters Act of Nigeria were as follows:

Names	31-Dec-24 Direct	31-Dec-24 Indirect	31-Dec-23 Direct	31-Dec-23 Indirect
1 Perez Peremolade Araka	618,150,000		618,150,000	
2 Emefienim Emmanuel Efe	1,274,000,000		1,274,000,000	
3 Godwin Abhulimen	343,416,667	961,566,667	343,416,667	961,566,667
4 Emmanuel Onyekwena	686,833,333		686,833,333	
5 Neville Atigan		8,654,100,000		8,654,100,000
6 Victor Olumide Olowogoroye		10,989,333,333		10,989,333,333
7 Anthony Olusola Adejugbe	206,050,000		206,050,000	



DIRECTORS' REPORT CONTINUED

Director's interests in contracts

For the purpose of Section 303 of the Companies and Allied Matters Act, 2020, none of the current Directors had direct or indirect interest in contracts or proposed contracts with the Bank during the year.

Director's Remuneration

The Bank ensures that remuneration paid to its Directors comply with the provisions of the codes of corporate governance issued by its regulators.

In compliance with Section 16.8 of the Nigerian Code of Corporate Governance, the Bank hereby disclose the remuneration paid to its Directors as follows:

	Type of Package Fixed	Description	Timing
1	Basic Salary	Part of gross salary package for Executive Directors only. Reflects the banking industry competitive salary package and the extent to which the Bank's objectives have been met for the financial period.	Paid monthly during the financial year.
2	Other Allowances	Part of gross salary package for Executive Directors only. Reflects the banking industry competitive salary package and the extent to which the Bank's objectives have been met for the financial period.	Paid periodically during the financial year.
3	Productivity Bonus	Paid to Executive Directors only and tied to performance of their line reports. It is also a function of the extent to which the Bank's objectives have been met for the financial period.	Paid annually in arrears.
4	Director Fees	Paid annually in June to Non-Executive Directors only.	Paid annually in June.
5	Sitting Allowances	Allowances paid to Non-Executive Directors only for attending the Board and Board Committee meetings.	Paid after each meeting.

Donations and Charitable Gifts

The Bank donated a total sum of N213.4 million during the year ended 31 December 2024 (31 December 2023: N203.7 million) to various charitable organizations in Nigeria, details of which are shown below. No donation was made to any political organization.

Details of Donation	Purpose	2024 Amount (N)
The Renovation of the Ekiti state children therapy center and procurement of multi-sensory materials	Corporate Social Responsibility	73,143,497
Financial Literacy and Public and Public enlightenment Campaigns	Sponsorship	30,886,583
Affordable Homes Ownership Options for All Soldiers (ahooas) project	Corporate Social Responsibility	30,000,000
Bayelsa Governors football tournament prosperity cup 2024	Sponsorship	20,000,000
Contribution in respect of 59th Annual Bankers Dinner	Sponsorship	15,000,000
Contribution to the National flood disaster fund	Corporate Social Responsibility	14,500,000
Contribution to fitc's 2024 budget	Sponsorship	10,000,000
Donation for Financial Reporting Council of Nigeria (FRCN) sustainability standard adoption project	Sponsorship	10,000,000

DIRECTORS' REPORT

CONTINUED

Details of Donation	Purpose	2024 Amount (N)
Donation to the Special correctional center for girls, Idi-Araba for dining hall project	Sponsorship	6,927,650
The Youth Empowerment in respect of community liaison for host communities	Sponsorship	2,959,000
		213,416,731

Details of Donation	Purpose	2023 Amount (N)
Ogun State 2024 National Sports Festival Gateway Games	Sponsorship	100,000,000
Relief Materials for Flood Victims	Corporate Social Responsibility	25,040,500
Bankers COM 2023 Financial Literacy and Public and Public enlightenment Campaigns	Sponsorship	18,554,878
Widows and Orphans Hope Project (Project WAOH)	Corporate Social Responsibility	10,000,000
Bayelsa State Business development Support	Sponsorship	30,000,000
Bayelsa State Community Safety Support	Sponsorship	12,000,000
Bayelsa State Democracy Day Celebration	Sponsorship	3,000,000
World Environmental Day Celebrations	Sponsorship	5,000,000
Port Harcourt Community Development	Corporate Social Responsibility	150,000
		203,745,378

Gender Analysis of Staff

Analysis of staff employed by the Bank during the period ended 31 December 2024

DESCRIPTION	31 December 2024		31 December 2023	
	NUMBER	% TO TOTAL STAFF	NUMBER	% TO TOTAL STAFF
Female as at December	218	44.3%	162	47.5%
Male as at December	274	55.7%	179	52.5%
Total	492	100.0%	341	100.0%

Analysis of top management positions by gender as at 31 December 2024:

GRADE	31 December 2024			31 December 2023		
	FEMALE	MALE	TOTAL	FEMALE	MALE	TOTAL
Senior Management (AGM –GM)	4	12	16	5	10	15
Middle Management (DM – SM)	18	39	57	22	55	77
Total	22	51	73	27	65	92



DIRECTORS' REPORT CONTINUED

Analysis of Executive and Non-Executive positions by gender as at 31 December 2024:

GRADE	31 December 2024			31 December 2023		
	FEMALE	MALE	TOTAL	FEMALE	MALE	TOTAL
Executive Director	1	1	2	1	1	2
Managing Director	-	1	1	-	1	1
Non-Executive Director	1	10	11	1	10	11
Total	2	12	14	2	12	14

Total remuneration of Senior Management (Assistant General Managers, Deputy General Managers, General Managers and Executive Directors) in 2024 amounted to **N1.24 billion** (2023: N1.02 billion).

Report to the CBN on Fraud and Forgeries

In line with Section 5.1.2 (L) of the CBN Code of Corporate Governance, the breakdown of fraud and forgeries for the year is presented below:

	2024	2023
Number of fraud incidents	NIL	NIL
Amount involved (N'000)	NIL	NIL
Amount involved (\$'000)	NIL	NIL
Actual/Expected Loss (N'000)	NIL	NIL
Actual/Expected Loss (\$'000)	NIL	NIL

Card Usage data

In line with the Central Bank of Nigeria guidelines for card issuance and usage in Nigeria, Section 11.0, the report on card issuance and usage for the year ended 31 December 2024 is set out below:

Product	31 December 2024		31 December 2023	
	Volume	Value N'000	Volume	Value N'000
Visa (Naira)	51,553	1,230,739	165	36,634,150
Visa (Dollar)	2,302	\$811.16	N/A	N/A
Mastercard	N/A	N/A	N/A	N/A
Verve	3,202,149	597,492,001	2,276,807	24,180,835,806

Property and equipment

Information relating to changes in property and equipment is given in Note 25.1 to the financial statements.

Employment and employees

Employment of disabled persons:

The Bank has a non-discriminatory policy on recruitment. Applications would always be welcomed from suitably qualified disabled persons and are reviewed strictly on qualification. The Bank's policy is that the highest qualified and most experienced persons are recruited for appropriate job levels irrespective of an applicant's state of origin, ethnicity, religion or physical condition.

Health, safety and welfare of employees:

Health and safety regulations are in force within the Bank's premises and employees are aware of existing regulations. The Bank provides subsidies to all levels of employees for medical expenses, transportation, housing, lunch, etc.

DIRECTORS' REPORT

CONTINUED

Employee training and development

The Bank is committed to keeping employees fully informed as much as possible regarding the Bank's performance and progress and seeking their opinion where practicable on matters which particularly affect them as employees.

Training is carried out at various levels through both in-house and external courses. Incentive schemes designed to encourage the involvement of employees in the Bank's performance are implemented whenever appropriate.

Events after the reporting date

Subsequent to the end of the financial year, the following events occurred:

On the 26th of March 2025, the Directors proposed the payment of dividend of NGN 1.00 per share to shareholders (31 December 2023: 15 kobo per share). The Central Bank of Nigeria in its letter dated 7th April 2025, gave no objection to the payment of the dividend.

This dividend is subject to approval by shareholders at the annual general meeting and has not been included as a liability in this financial statements until approved and declared by the shareholders.

Other than the above mentioned, there were no other events after the reporting date which could have a material effect on the financial position of the Bank as at 31 December 2024 and profit or loss and other comprehensive income on that date which have not been adequately adjusted for or disclosed.

Dividend

The Directors recommended the payment of dividend of NGN 1.00 per ordinary share during the year ended 31 December 2024 (31 December 2023: 15 kobo per ordinary share).

Auditors

In accordance with Section 401(2) of the Companies and Allied Matters Act 2020 and Section 20.2 of Nigerian Code of Corporate Governance 2018, Messrs. Deloitte & Touche have indicated their willingness to continue as External Auditors of Premium Trust Bank Limited.

BY ORDER OF THE BOARD:



Chukwuemeka Nwaogu

Company Secretary

FRC/2022/PRO/CIIN/002/764830

1612 Adeola Hopewell, Victoria Island Lagos, Nigeria

26 March, 2025



CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

The Bank complies with the relevant provisions of the Financial Reporting Council of Nigeria (FRCN) and the Central Bank of Nigeria (CBN) Codes of Corporate Governance.

Board of Directors

The Board of Premium Trust Bank is composed of fourteen (14) Directors as at December 31, 2024, Eleven (11) of whom were Non-Executive Directors (NED) including the chairman, and the other three (3) were Executive Directors including the Managing Director/Chief Executive Officer. The Board has the overall responsibility for setting the strategic direction of the Bank and for oversight of Senior Management. It also ensures that good Corporate Governance processes and best practices are implemented across the Bank at all times.

The Board of the Bank consists of persons of diverse disciplines and skills, chosen on the basis of professional background and expertise, business experience and integrity as well as knowledge of the Bank's business. Directors are fully aware of their responsibilities and are knowledgeable in the business. They are therefore able to exercise good judgment on issues relating to the Bank's business. Directors have on the basis of this acted in good faith with due diligence and skill and in the overall best interest of the Bank and relevant stakeholders during the year under review.

Attendance at Board meetings for the period ended 31 December 2024 are as follows:

	Director		Attendance	No. of Meetings
1	Dr. Perez Araka	Chairman	5	5
2	Mr. Emmanuel Efe Emefienim, CON	Managing Director / CEO	5	5
3	Mrs. Olubukunola Awosanya	Executive Director	5	5
4	Mr. Shina Atilola	Executive Director	4	5
5	Mr. Olugbenga Imisi Omojola	Non-Executive Director	5	5
6	Mr. Neville Atigan	Non-Executive Director	5	5
7	Sir Emmanuel Onyekwena	Non-Executive Director	5	5
8	Mr. Charles Obukofe	Non-Executive Director	5	5
9	Mr. Olusola Anthony Adejugbe	Non-Executive Director	5	5
10	Dr. Godwin Abhulimen	Non-Executive Director	5	5
11	Mr. Uchenna Maduka Igwebuike	Independent Director Non-Executive Director	4	5
12	Ms. Justina Akpoabugo Lewa	Independent Director Non-Executive Director	5	5
13	Mr. Temitope Mark	Non-Executive Director	5	5
14	Mr. Victor Olumide Olowogoroye	Non-Executive Director	5	5

CORPORATE GOVERNANCE REPORT CONTINUED

Board Committees

The Board carries out its oversight functions using its various Board Committees. This makes for efficiency and allows for a deeper attention to specific matters for the Board. Membership of the Committees of the Board is intended to make the best use of the skills and experience of non-executive directors in particular. The Board has established the various Committees with well-defined terms of reference and Charters defining their scope of responsibilities in such a way as to avoid overlap or duplication of functions. The Committees of the Board meet quarterly but may hold extraordinary sessions as the business of the Bank demands.

The following are the current standing Committees of the Board:

Board Credit Committee

The Committee acts on behalf of the Board of Directors on credit matters, and reports to the Board for approval/ratification.

Terms of reference

- Review and recommend the credit policy manual to the Board.
- Consider and recommend for approval by the Board detailed analysis for credit including contingent liabilities of amounts in excess of the limit of the Credit Committee.
- Review and set credit policy direction where necessary subject to the approval of the Board.
- Recommend to the Board write-offs presented by Management.
- Be actively involved in credit risk control processes.
- Use reports on the Bank's credit risk profile and capital needs to evaluate the level and trend of material credit risks and their effects on capital level.
- Review, consider and determine significant related party transactions for approval by the Board.
- Other ancillary duties as may be assigned by the Board from time to time.

The members and respective attendance in Committee meetings are as follows:

Members		Attendance	No. of Meetings
Charles Obukofe	Chairperson	4	4
Neville Atigan	Member	4	4
Godwin Abhulimen	Member	4	4
Shina Atilola	Member	4	4
Emmanuel Efe Emefienim (CON)	Member	4	4

Board Finance and General Purpose Committee

The Committee acts on behalf of the Board of Directors on all matters relating to financial management, and reports to the Board for approval/ratification.

Terms of reference

- Review the Bank's budgets.
- Consider major capital projects being proposed by Management.
- Consider/ review extraordinary business initiatives of Management on behalf of the Board.
- Review and recommend to the Board extra-budgetary spending of the Bank above specified limits.
- Approve Investment of the Bank within the Committee's specified limits and recommend for approval of the Board when above specified limits.
- Recommend for approval by the Board disposal of assets of the Bank above specified limits.
- Recommend for approval by the Board the opening and closure of branches.
- Ensure proper management of long and short term cash flow, as well as working capital/liquidity.
- Ensure adequate structures are in place for the review of funding strategies
- Review annually the planned expenditures and major expense lines periodically and approve expenditure within the limit of the Committee as documented.
- Review contract awards of significant expenditure.
- Review significant transactions that are not part of the Bank's normal business.



CORPORATE GOVERNANCE REPORT CONTINUED

- Review and monitor related party transactions and assess their propriety.
- Ensure a transparent and competitive tendering process on major contracts to guarantee the best value for the Bank.
- Review and recommend to the Board for approval the procurement strategy and policy for the Bank.
- Ensure that all major contracts are carried out according to the terms and conditions of the contract agreement. Evaluate the processes in place for the development and execution of strategic initiatives. Other ancillary duties as may be assigned by the Board from time to time.

The members and respective attendance in Committee meetings are as follows:

Members		Attendance	No. of Meetings
Godwin Abhulimen	Chairperson	4	4
Emmanuel Onyekwena	Member	4	4
Neville Atigan	Member	4	4
Emmanuel Efe Emechienim (CON)	Member	4	4

Board Risk Management Committee

The Committee is responsible for evaluating and handling issues relating to risk management in the Bank.

Terms of reference

- Set goals and objectives for the achievement of the Bank's Enterprise Risk Management framework subject to the approval of the Board of Directors.
- Provide support to the Board of Directors to guide the definition of the Bank's risk appetite and ensure that all exposures are within the approved risk appetite.
- Ensure the Bank and its subsidiaries have appropriate risk management frameworks and policies, processes and methodologies for managing all material risk exposures (credit, operational, strategic, reputation, compliance, market, fraud, cyber, technology, people, and liquidity risk among others) to safeguard shareholders' investments and the Bank's assets.

- Exercise oversight over the process for the identification and assessment of risks across the Bank and the adequacy of prevention, detection, and reporting mechanisms.
- Review the adequacy and effectiveness of risk management and controls in the Bank subject to the approval of the Board of directors.
- Review and recommend for the approval of the Board, the risk management framework and policies for all material risk exposures (credit, operational, strategic, reputation, compliance, market, fraud, cyber, technology, people, and liquidity risk management), as well as assist the Board in its oversight of risk management strategy.
- Approve and periodically review the Bank's risk appetite and portfolio strategy subject to the approval of the Board of Directors.
- Periodically review changes in the economic and business environment, including emerging trends and other factors relevant to the Bank's risk profile and those trends which may threaten the Bank's business model, key strategies, future performance, solvency and liquidity and make recommendations to the Board as appropriate.
- Review the Bank's compliance level with applicable laws and regulatory requirements which may impact the Bank's risk profile.
- Ensure that the risk management framework is integrated into the day-to day operations of the Bank and review the guidelines and standards for management of key risks.
- Ensure the articulation, implementation, and review of the Bank's Internal Control systems to strengthen the risk management framework.
- Ensure that the Bank holds sufficient capital against its material risks and is in compliance with established capital adequacy thresholds and regulations.
- Periodically review the results of stress testing and use the outcome to conduct internal assessment of capital adequacy.

CORPORATE GOVERNANCE REPORT CONTINUED

The members and respective attendance in Committee meetings are as follows:

Members		Attendance	No. of Meetings
Neville Atigan	Chairman	4	4
Anthony Adejugbe	Member	4	4
Charles Obukofe	Member	4	4
Uchenna Igwebuike	Member	4	4
Victor Olowogoroye	Member	4	4
Emmanuel Efe Emefienim (CON)	Member	4	4
Shina Atilola	Member	1	4

Board Audit Committee

The Committee acts on behalf of the Board of Directors on all audit matters. Decisions and actions of the Committee are presented to the Board for approval/ratification.

Terms of reference

- Consider for recommendation to the Board the Financial Statements of the Bank.
- Ascertain whether the accounting and reporting policies of the Bank are in accordance with legal requirements and agreed ethical principles.
- Review the scope and planning of the Bank's audit requirements.
- Review the findings on management letters in conjunction with external auditors and management responses thereon.
- Review the financial records of the Bank, including external auditors report.
- Keep under review the effectiveness of the Bank's system of accounting and internal control.
- Ensure the independence and competence of the Bank's external auditors.
- Provide guidance to the Board on the appointment, removal, and remuneration of the external auditors to the Bank.
- Authorize the internal auditor to carry out investigations into any activities of the Bank, which may be of interest or concern to the Committee.
- Examine the Auditor's Report and make recommendations thereon to the Board as it may deem fit.

- Ensure the development of an annual risk-based internal audit plan by the Internal Audit function.
- Ensure that an external assessment of the effectiveness of the internal audit function is carried out at least once every three years by a qualified independent reviewer.
- Other ancillary duties as may be assigned by the Board from time to time.

The members and respective attendance in Committee meetings are as follows:

Members		Attendance	No. of Meetings
Uchenna Igwebuike	Chairman	5	5
Anthony Adejugbe	Member	5	5
Neville Atigan	Member	5	5
Dr. Victor Olowogoroye	Member	5	5
Temitope Mark	Member	5	5

Board Governance Nomination & Remuneration Committee

The Committee acts on behalf of the Board of Directors on all matters relating to the workforce.

Terms of reference

- Set the over-arching principles and parameters of Remuneration Policy across the Bank subject to the approval of the Board.
- Consider disciplinary matters involving top management staff (Assistant Manager and above) including Directors.
- Consider and recommend for approval by the Board the remuneration arrangements of the Executive Directors of the Bank.
- Exercise oversight for people issues.
- Ensuring a transparent procedure for the selection and appointment of new Directors to the Board.
- Determining the required role and capabilities for particular appointments.
- Identifying suitable candidates to fill Board vacancies as and when they arise and nomination of candidates for the approval of the Board.
- Facilitate the process for the orientation of new Directors as well as the continuous education and development of Directors.



CORPORATE GOVERNANCE REPORT CONTINUED

- Assessing periodically the skills required for each Director to discharge competently the director's duties.
- Giving consideration to appropriate Board and senior management succession planning.
- Reviewing disclosures and the process used for appointments.
- Reviewing remuneration for the directors and senior management of the Bank.
- Consider and recommend to the Board promotions for top management staff (Assistant General Manager and above).

The members and respective attendance in Committee meetings are as follows:

Members		Attendance	No. of Meetings
Justina Lewa	Chairperson	5	5
Godwin Abhulimen	Member	5	5
Olugbenga Omojola	Member	5	5
Temitope Mark	Member	5	5

Board Strategy Committee

The Committee acts on behalf of the Board to carry out the Bank's strategic objectives

Terms of reference

- Evaluate the processes in place for the development and execution of strategic initiatives.
- Review the processes in place for Identifying and developing strategic opportunities for the business with a view to gaining additional share of the market, through the identification of potential growth opportunities.
- Review short and long-term strategic recommendations, that are meant to develop and capitalize business opportunities.
- Evaluate and recommend business portfolio frameworks, strategies, financial concepts, practices, programs, processes, and measures to be applied across the business.
- Review and evaluate overall performance and outcome of strategies against targets.

- Review performances to determine the effectiveness of the process of strategy implementation.
- Ensure timely execution of approved strategies.
- Track the efficiency and effectiveness of agreed initiatives as well as the strategy implementation systems.
- Review the implementation of the strategic plan and execution progress against strategic milestones and goals.
- Review the Bank's strategic plans and annual / quarterly corporate objectives and budgets.
- Review and monitor the investment in information technology and strategic assets and ensure that they are prioritised according to the Bank's strategy.
- Ensure that an external assessment of the effectiveness of the internal audit function is carried out at least once every three years by a qualified independent reviewer.
- Other ancillary duties as may be assigned by the Board from time to time.

The members and respective attendance in Committee meetings are as follows:

Members		Attendance	No. of Meetings
Emmanuel Onyekwena	Chairman	4	4
Justina Lewa	Member	4	4
Olubukunola Awosanya	Member	4	4
Olugbenga Omojola	Member	4	4
Shina Atilola	Member	4	4
Emmanuel Efe Emeffienim, CON	Member	4	4

CORPORATE GOVERNANCE REPORT CONTINUED

Dates for Board and Board Committee meetings held during the period:

Meetings	Dates				
Full Board	15-Mar-24	27-Mar-24	14-Jun-24	29-Aug-24	30-Nov-24
Board Credit Committee	08-Feb-24	16-Apr-24	09-Jul-24	16-Oct-24	
Board Finance & General Purpose Committee	09-Feb-24	15-Apr-24	09-Jul-24	15-Oct-24	
Board Audit Committee	08-Feb-24	25-Mar-24	17-Apr-24	08-Jul-24	14-Oct-24
Board Risk Management Committee	08-Feb-24	16-Apr-24	09-Jul-24	16-Oct-24	
Board Strategy Committee	09-Feb-24	15-Apr-24	08-Jul-24	15-Oct-24	
Board Governance Nomination & Remuneration Committee	08-Feb-24	17-Apr-24	08-Jul-24	14-Oct-24	27-Nov-24

The Company Secretary

The Directors have separate and independent access to the Company Secretary. The Company Secretary is responsible for, among other things, ensuring that Board procedures are observed and that the Bank's Memorandum and Articles of Association together with other relevant rules and regulations are complied with. He also assists the Chairman and the Board in implementing and strengthening corporate governance practices and processes, with a view to enhancing long-term shareholder value.

The Company Secretary assists the Chairman in ensuring good information flow within the Board and its committees and between Management and Non-Executive Directors. The Company Secretary also facilitates orientation of new Directors and coordinates the professional development of Directors.

The Company Secretary attends and prepares the minutes for all Board meetings. As Secretary for all Board Committees, he assists in ensuring coordination and liaison between the Board, the Board Committees and Management. The Company Secretary also assists in the development of the agendas for the various Board and Board Committee meetings.

The appointment and removal of the Company Secretary are subject to the Board's approval.

Management Committees

1 Executive Committee (EXCO)

The Committee provides leadership to the management team and ensures the implementation of strategies approved by the Board. It deliberates and takes decisions on the effective and efficient

management of the Bank. It also reviews the Bank's performance to ensure its in line with set targets and monitors budget achievement.

2 Asset and Liability Committee (ALCO)

The Committee ensures adequate liquidity and the management of interest rate risk within acceptable parameters. It also reviews the economic outlook and its impact on the Bank's strategies.

3 Management Credit Committee (MCC)

The Committee approves new credit products and initiatives, minimum/prime lending rate and reviews the credit policy manual. It approves exposures up to its maximum limit and the risk asset acceptance criteria.

4 IT Steering Committee (ITSC)

The Committee establishes the overall technology priorities by identifying projects that support the Bank's business plan. It provides guidance in effectively utilizing technology resources to meet business and operational needs of the Bank.

5 Risk Management Committee (RMC)

The Committee is responsible for planning, management and control of the Bank's overall risks. It includes setting the Bank's risk philosophy, risk appetite, risk limits and risk policies.

6 Information Security Steering Committee (ISSC)

The Committee is set up to provide oversight responsibilities with respect to the Bank's information security programs and risks



CORPORATE GOVERNANCE REPORT CONTINUED

Succession Planning

PremiumTrust Bank Limited has a Succession Planning Policy which is aligned to the Bank's overall organisational development strategy. In line with the policy, People Management Group (PMG Unit) is saddled with the responsibility to coordinate the implementation of the Bank's Succession Policy.

Successors are nominated based on experience, skills and competencies through an automated process by current role holders in conjunction with the PMG Unit. Development initiatives have also been put in place to accelerate successors' readiness.

Code of Ethics

PremiumTrust Bank Limited has a Code of Ethics that specifies acceptable behaviour of its staff, in the staff handbook. It is a requirement that all staff should sign a confirmation that they have read and understood the document upon employment.

The Bank also has a sanctions grid which provides sample offences/violation and prescribes measures to be adopted in various cases. The Chief People Officer (CPO) is responsible for the implementation and compliance to the "Code of Ethics".

Whistle Blowing Process

The Bank is committed to the highest standards of openness, probity and accountability, hence the need for an effective and efficient whistle blowing process as a key element of good corporate governance and risk management.

Whistle blowing process is a mechanism by which suspected breaches of the Bank's internal policies, processes, procedures and unethical activities by any stakeholder (staff, customers, suppliers and applicants) are reported for necessary actions.

It ensures a sound, clean and high degree of integrity and transparency in order to achieve efficiency and effectiveness in our operations.

The reputation of the Bank is of utmost importance and every staff of the Bank has a responsibility to protect the Bank from any persons or act that might jeopardize its reputation. Staff are encouraged to speak up when faced with information that would help protect the Bank's reputation.

An essential attribute of the process is the guarantee of confidentiality and protection of the whistle blower's identity and rights. It should be noted that the ultimate aim of this policy is to ensure efficient service to the customer, good corporate image and business continuity in an atmosphere compliant with best industry practice.

The Bank has dedicated whistle blowing channels which are accessible via the website, dedicated telephone hotlines and e-mail addresses in compliance with the guidelines for whistle blowing for Banks and Other Financial Institutions issued by the Central Bank of Nigeria (CBN).

The Bank's Chief Compliance Officer is responsible for monitoring and reporting on whistle blowing.

The Bank complied with the provisions of CBN circular FPR/DIR/CIR/GEN/01/004, Code of Corporate Governance for Banks and Discount Houses in Nigeria and Guidelines for Whistle Blowing in Nigeria Banking Industry, for the year ended 31 December 2024.

Complaint Management Policy

The Bank has put in place a Complaint Management Policy guiding the resolution of disputes with stakeholders on issues relating to the Investment and Securities Act.

CORPORATE GOVERNANCE REPORT CONTINUED

Customer Complaints

In line with Circular No: FPR/DIR/CIR/GEN/01/020, the returns on customer complaints for the year ended 31 December 2024 is as set out below:

	NUMBER	AMOUNT CLAIMED	AMOUNT REFUNDED
	2024	2024	2024
		<i>In thousands of Naira</i>	<i>In thousands of Naira</i>
Pending complaints b/f	N/A	N/A	N/A
Complaints received	3,779	439,921,963	439,921,963
Complaints resolved	3,779	439,921,963	439,921,963
Unresolved complaints escalated to CBN for intervention	N/A	N/A	N/A
Unresolved complaints pending with the bank c/f	N/A	N/A	N/A

	NUMBER	AMOUNT CLAIMED	AMOUNT REFUNDED
	2023	2023	2023
		<i>In thousands of Naira</i>	<i>In thousands of Naira</i>
Pending complaints b/f	N/A	N/A	N/A
Complaints received	3,463	306,713,531	306,713,531
Complaints resolved	3,463	306,713,531	306,713,531
Unresolved complaints escalated to CBN for intervention	N/A	N/A	N/A
Unresolved complaints pending with the bank c/f	N/A	N/A	N/A



10th April 2025

REPORT OF THE EXTERNAL CONSULTANTS ON THE PERFORMANCE APPRAISAL OF THE BOARD OF DIRECTORS OF PREMIUMTRUST BANK LIMITED FOR THE YEAR ENDED 31ST DECEMBER 2024

DCSL Corporate Services Limited was appointed to undertake an appraisal of the Board of Directors of PremiumTrust Bank Limited ("the Bank") for the year-ended 31st December 2024 in line with the provisions of **Section 10.1 of the Central Bank of Nigeria (CBN) Corporate Governance Guidelines for Commercial, Merchant, Non-Interest and Payment Service Banks in Nigeria, 2023 (CBN Guidelines)** and **Principle 14 of the Nigerian Code of Corporate Governance, 2018 (NCCG)**. The evaluation entailed a comprehensive review of the Bank's corporate and statutory documents, the Minutes of Board and Committee meetings, policies currently in place, other ancillary documents made available to us, responses to Board and Peer Review Surveys administered to Directors.

The appraisal centered on confirming the level of the Board's compliance with corporate governance practices with reference to the provisions of the CBN Guidelines and NCCG, using the following seven key corporate governance parameters:

1. Board Structure and Composition
2. Strategy and Planning
3. Board Operations and Effectiveness
4. Measuring and Monitoring of Performance
5. Risk Management and Compliance
6. Corporate Citizenship; and
7. Transparency and Disclosure.

Our review of the corporate governance standards and processes confirm that the Board continues to implement best corporate governance practices and ensure adherence to the Central Bank of Nigeria (CBN) Corporate Governance Guidelines for Commercial, Merchant, Non-Interest and Payment Service Banks in Nigeria, the Nigerian Code of Corporate Governance, and other best corporate governance standards. The Directors' Peer Assessment and Chairman's Leadership Assessment indicate that individual Directors discharged, satisfactorily, their governance responsibilities, performed creditably against the set objectives and continue to demonstrate strong commitment to enhancing the Bank's growth. Remarkably, Directors recorded excellent attendance at all Board and Committee meetings held during the period under review, reflecting their respective commitment to achieving Board Effectiveness and the success of the Bank.

Details of our key findings and recommendations are contained in our Report.

Yours faithfully,

For: DCSL Corporate Services Limited

Bisi Adeyemi
Managing Director
FRC/2013/PRO/DIR/003/00000002716

Directors: ~ Abel O. Ajayi (Chairman) ~ Bisi Adeyemi (Managing Director) ~ Adeniyi Obe ~ Dr Anino Emuwa ~ Obi A. Ogbechi ~ Mr. Lekan Belo

DCSL Head Office
235 Ikorodu Road, Ikeja
P. O. Box 945, Marina, Lagos
Tel: +234 (1) 271 7814-7/03809 038 1864

Abuja Office
Suite A05, The Statement Hotels
Plot 1002, 1st Avenue, Off Shehu Shagari Way
Central Business District, Abuja, Nigeria

RC NO: 352393

info@dcsl.com.ng
www.dcs.com.ng

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE PREPARATION OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

The Directors of PremiumTrust Bank Limited accept responsibility for the preparation of the financial statements that give a true and fair view of the financial position of the Bank as at 31 December 2024, and the results of its operations, cash flows and changes in equity for the year then ended, in compliance with IFRS Accounting standards and in the manner required by the Companies and Allied Matters Act 2020, Banks and Other Financial Institutions Act and the Financial Reporting Council of Nigeria (Amendment) Act, 2023. In preparing the financial statements, the Directors are responsible for:

- (a) properly selecting and applying accounting policies;
- (b) presenting information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- (c) providing additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Bank's financial position and financial performance.

Going Concern:

The Directors have made an assessment of the Bank's ability to continue as a going concern and have no reason to believe the Bank will not remain a going concern in the year ahead.

The financial statements of the Bank for the year ended 31 December 2024 were approved by the directors on 26 March 2025.

Signed on behalf of the Directors by:



Emmanuel Efe Emefienim, CON
Managing Director/CEO
FRC/2022/PRO/DIR/003/818606



Perez Araka
Chairman
FRC/2022/PRO/DIR/003/536053



STATEMENT OF CORPORATE RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

FOR YEAR ENDED 31 DECEMBER 2024

- (a) In accordance with section 405 of the Companies and Allied Act of Nigeria, the Chief Executive Officer and the Chief Financial Officer certify that the financial statements have been reviewed and based on our knowledge, the
- (i) audited financial statements do not contain any untrue statement of material fact or omit to state a material fact, which would make the statements misleading, in the light of the circumstances under which such statement was made, and
 - (ii) audited financial statements and all other financial information included in the statements fairly present, in all material respects, the financial condition and results of operation of the company as of and for, the periods covered by the audited financial statements;
- (b) We state that management and directors:
- (i) are responsible for establishing and maintaining internal controls and has designed such internal controls to ensure that material information relating to the Bank is made known to the officer by other officers of the Bank, particularly during the year in which the audited financial statement report is being prepared
 - (ii) has evaluated the effectiveness of the Bank's internal controls within 90 days prior to the date of its audited financial statements, and
 - (iii) certifies that the Bank's internal controls are effective as of that date;
- (c) We have disclosed:
- (i) all significant deficiencies in the design or operation of internal controls which could adversely affect the Bank's ability to record, process, summarize and report financial data, and has identified for the Bank's auditors any material weaknesses in internal controls, and
 - (ii) whether or not, there is any fraud that involves management or other employees who have a significant role in the Bank's internal control; and
- (d) as indicated in the report, whether or not, there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

The financial statements of the Bank for the year ended 31 December 2024 were approved by the directors on 26 March, 2025.

Signed by:

Emmanuel Efe Emefienim, CON
Managing Director/CEO
FRC/2022/PRO/DIR/003/818606

Ayodele Shoyemi
Chief Financial Officer
FRC/2022/PRO/ANAN/001/161101

REPORT OF THE BOARD AUDIT COMMITTEE

FOR THE YEAR ENDED 31 DECEMBER 2024

TO THE MEMBERS OF PREMIUM TRUST BANK LIMITED

In accordance with the provision of Section 404 (7) of the Companies and Allied Matters Act 2020, the members of the Board Audit Committee of Premium Trust Bank Limited report as follows:

- We are of the opinion that the accounting and reporting policies of the Bank are in accordance with International Financial Reporting Standards and legal requirements and agreed ethical practices.
- We believe that the scope and planning of both the external and internal audits for the year ended 31 December 2024 were satisfactory and reinforce the Bank's internal control systems.
- We have deliberated with the External Auditors, who have confirmed that necessary co-operation was received from Management in the course of their audit and we are satisfied with Management's response to the External Auditor's recommendations on accounting and internal control matters.
- The internal control system of the Bank was also being constantly and effectively monitored.

We are satisfied that the Bank has complied with the provision of the Central Bank of Nigeria Circular BSD/1/2004 dated 18 February 2004 on "Disclosure of Directors' related credits in the financial statements of banks". We have reviewed insider-related credits of the Bank and found them to be as analysed in the financial statements. The status of performance of these facilities is disclosed in Note 33b to the financial statements.



Uchenna Igwebuiké
Chairman, Board Audit Committee
 FRC/2022/PRO/DIR/003/047506
 26 March, 2025

Members of the Board Audit Committee are:

Uchenna Igwebuiké	Chairman
Dr. Victor Olowogorioye	Non-Executive Director
Temitope Mark	Non-Executive Director
Anthony Adejugbe	Non-Executive Director
Neville Atigan	Non-Executive Director



PREMIUM TRUST BANK LIMITED INTERNAL CONTROL OVER FINANCIAL REPORTING (ICFR) CERTIFICATION

FOR YEAR ENDED 31 DECEMBER 2024

I, certify that:

- 1 I have reviewed this Financial Statements of Premium Trust Bank Limited for the year ended 31 December 2024.
- 2 Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the year covered by this report.
- 3 Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the bank as of, and for, the periods presented in this report.
- 4 The Bank's other certifying officer and I:
 - i. are responsible for establishing and maintaining internal controls.
 - ii. have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the bank is made known to us by others within those entities, particularly during the period in which this report is being prepared.
 - iii. have designed such internal control system or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles
 - iv. have evaluated the effectiveness of the bank's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.
- 5 The bank's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the bank's auditors and the audit committee of the bank's board of directors:

We:

 - i. All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the bank's ability to record, process, summarize and report financial information; and
 - ii. Any fraud, whether or not material, that involves management or other employees who have a significant role in the bank's internal control system
- 6 The bank's other certifying officer and I have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.

We have disclosed the following to the Company's auditors and Board audit committee:

Emmanuel Efe Emefienim, CON
FRC/2022/PRO/DIR/003/818606
Managing Director/CEO
26 March, 2025

PREMIUM TRUST BANK LIMITED INTERNAL CONTROL OVER FINANCIAL REPORTING (ICFR) CERTIFICATION

FOR YEAR ENDED 31 DECEMBER 2024

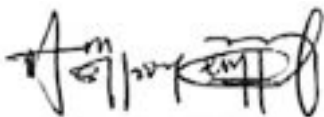
I, certify that:

- 1 I have reviewed this Financial Statements of Premium Trust Bank Limited for the year ended 31 December 2024.
- 2 Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the year covered by this report.
- 3 Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the bank as of, and for, the periods presented in this report.
- 4 The Bank's other certifying officer and I:
 - i. are responsible for establishing and maintaining internal controls.
 - ii. have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the bank is made known to us by others within those entities, particularly during the period in which this report is being prepared.
 - iii. have designed such internal control system or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles
 - iv. have evaluated the effectiveness of the bank's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.
- 5 The bank's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the bank's auditors and the audit committee of the bank's board of directors:

We:

 - i. All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the bank's ability to record, process, summarize and report financial information; and
 - ii. Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control system
- 6 The bank's other certifying officer and I have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.

We have disclosed the following to the Company's auditors and Board audit committee:



Ayodele Shoyemi
FRC/2022/PRO/ANAN/001/161101
Chief Financial Officer
26 March, 2025

FINANCIAL STATEMENTS

Review of the Bank's performance
for the year ended December 2024



4



INDEPENDENT AUDITOR'S REPORT

To the Shareholders of PREMIUM TRUST BANK LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the Financial Statements of Premium Trust Bank Limited set out on pages 79 to 175, which comprise the statement of financial position as at 31 December 2024, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, the notes to the Financial Statements, including a summary of material accounting policy information.

In our opinion, the Financial Statements give a true and fair view of the financial position of Premium Trust Bank Limited as at 31 December 2024, and its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, the requirements of the Companies and Allied Matters Act 2020, Banks and Other Financial Institutions Act 2020 and Financial Reporting Council of Nigeria (Amendment) Act 2023.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Bank in accordance with the requirements of the International Ethics Standards Board for Accountants' (IESBA) International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA code) and other independence requirements applicable to performing audits of Financial Statements in Nigeria. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and other ethical requirements that are relevant to our audit of Financial Statements in Nigeria.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matter is the matter that, in our professional judgement, was of most significance in our audit of the Financial Statements of the current year. This matter was addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.



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Key Audit Matter	How our audit addressed the key audit matter
<p>Impairment of loans and advances to customers</p> <p>Loans and advances make up a significant portion of the total assets of the bank. At 31 December 2024, gross loans and advances was N182.75 billion against which total loan impairment of N9.49 billion was recorded, thus leaving a net loan balance of N173.27 billion which represents 17% of the total assets as at the reporting date.</p> <p>The basis of the impairments is summarised in the accounting policies to the financial statements.</p> <p>In accordance with the provisions of IFRS 9 Financial Instruments, the Directors have established the bank's loan loss impairment methodology using the expected credit loss model.</p> <p>The Directors exercise significant judgement when determining both when and how much to record as loan impairment. This is due to the fact that a number of significant assumptions and inputs go into the determination of the impairment on loans and advances to customers. Some of these include:</p> <ol style="list-style-type: none"> i. Estimate of probability of default ii. Estimate of loss given default iii. Exposure at default iv. Credit classification v. Estimates of projected cash flows vi. Forward looking variables <p>Because of the significance of these estimates, judgements and the size of loans and advances portfolio, the audit of loan impairment is considered a key audit matter.</p>	<p>We focused our testing of the impairment on loans and advances to customers on the key assumptions and inputs made by management and Directors. Specifically, our audit procedures included the following:</p> <ol style="list-style-type: none"> a. We tested the design and operating effectiveness of the key controls around identification and determination of the impairment on each loan. These control processes included reviewing: <ul style="list-style-type: none"> • Due Review of Credit ratings of the Obligors. • Due Review and Approval of the ECL Computation. b. We adopted a risk-based approach to test a sample of loans and advances to form our own assessment as to whether impairment events had occurred and to assess whether there are significant increase in credit risk of the loans or objective evidence of default using set criteria. c. We involved our credit risk specialists who assessed whether the modelling assumptions (probability of Default (PD), Loss given default (LGD), Exposure at default (EAD), etc.) used by management were reasonable in light of the requirement of the applicable financial reporting standards, economic climate, current operational processes as well as our own knowledge of practices used by other similar banks. <p>Reviewed the reasonableness of the forward-looking assumptions applied into the impairment calculations. Challenged the economic scenarios and probability weights applied in the model.</p> <p>Where we determined that a more appropriate assumption or input in impairment measurement could be made, we recalculated the impairment on that basis and compared the results in order to assess whether there was any indication of error or management bias.</p> <ol style="list-style-type: none"> e. Disclosures in the financial statements were reviewed for reasonableness and compliance with the requirements of the standards <p>Based on our review, we concluded that the amount of loan impairment losses was comparable with prevailing economic situations and that the estimated loan impairment losses determined was appropriate in the circumstances.</p>

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Premium Trust Bank Limited Annual Report and Financial Statements for the year ended 31 December 2024", which includes the Directors' Report, Corporate Governance Report, Statement of Directors' Responsibilities, the Board Audit Committee's Report, the Statement of Corporate Responsibility for Financial Statements, and Other National Disclosures as required by Companies and Allied Matters Act 2020 and the Financial Reporting Council of Nigeria (Amendment) Act 2023 which we obtained prior to the date of this report. The other information does not include the financial statements and our auditor's report thereon. The other information does not include the Financial Statements and our auditor's report thereon.

Our opinion on the Financial Statements does not cover the other information and we do not and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the Financial Statements in accordance with IFRS standards as issued by the International Accounting Standards Board, the requirements of the Companies and Allied Matters Act 2020, Banks and Other Financial Institutions Act Cap B3 LFN 2020, the Financial Reporting Council of Nigeria (Amendment) Act 2023 and for such internal control as the directors determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the directors are responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Bank or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern.

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If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the audit committee and directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determined those matters that were of most significance in the audit of the Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the Fifth Schedule of Companies and Allied Matters Act we expressly state that:

- i) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.
- ii) The Bank has kept proper books of account, so far as appears from our examination of those books.
- iii) The Bank's financial position and its statement of profit or loss and other comprehensive income are in agreement with the books of account and returns.

In compliance with the Banks and Other Financial Institutions Act (BOFIA) 2020 and circulars issued by Central Bank of Nigeria, we confirm that:

- i) Insider related credits are disclosed in Note 33b of the Financial Statements in compliance with Central Bank of Nigeria circular BSD/1/2004.
- ii) As stated in Note 36 to the Financial Statements, the Bank contravened certain sections of the Banks and Other Financial Institutions Act (BOFIA) 2020 and relevant Central Bank of Nigeria Circulars during the year ended 31 December 2024.

In accordance with the requirements of the Financial Reporting Council of Nigeria, we also performed a limited assurance engagement and reported on management's assessment of the Entity's internal control over financial reporting as of 31 December 2024. The work performed was done in accordance with FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting and based on the procedures we have performed, and evidence obtained we have issued an unmodified conclusion in our report dated 9 April 2025. That report is included on pages 76 to 78 of the financial statements.


For: Deloitte & Touche
Chartered Accountants
Lagos, Nigeria
9 April 2025
Engagement partner:

David Achugamonu
FRC/2013/PRO/ICAN/004/0000000840





P.O. Box 965
Marina
Lagos
Nigeria

Deloitte & Touche
Civic Towers
Plot GA 1, Ozumba Mbadiwe
Avenue
Victoria Island
Lagos
Nigeria

Tel: +234 (1) 904 1700
www.deloitte.com.ng

Assurance Report of Independent Auditor

To the Shareholders of Premium Trust Bank Limited

Assurance Report on management's assessment of controls over financial reporting

We have performed a limited assurance engagement in respect of the systems of internal control over financial reporting of Premium Trust Bank Limited as of 31 December, 2024, in accordance with the FRC Guidance on assurance engagement report on Internal Control over Financial Reporting and based on criteria established in the Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) "the ICFR framework", and the FRC Guidance on Management report on Internal Control over Financial Reporting. Premium Trust Bank Limited's management is responsible for maintaining effective internal control over financial reporting and for assessing the effectiveness of internal control over financial reporting including the Banking Management's Report on Internal Control Over Financial Reporting.

We have also audited, in accordance with the International Standards on Auditing, the financial statements of the Bank and our report dated 9 April 2025 where we expressed an *unmodified* opinion

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence that we have obtained, nothing has come to our attention that causes us to believe that the Bank did not establish and maintain an effective system of internal control over financial reporting, as of the specified date, based on the FRC Guidance on Management report on Internal Control over Financial Reporting.

Definition of internal control over financial reporting

Internal control over financial reporting is a process designed by, or under the supervision of, the entity's principal executive and principal financial officers, or persons performing similar functions, and effected by the entity's board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Bank's internal control over financial reporting includes those policies and procedures that:

- I. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Bank;
- II. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Bank are being made only in accordance with authorizations of management and directors of the Bank; and
- III. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Bank's assets that could have a material effect on the financial statements.



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Inherent limitations

Our procedures included the examination of historical evidence of the design and implementation of the Bank's system of internal control over financial reporting for the year ended 31 December 2024. Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Directors' and Management's Responsibilities

The Directors are responsible for ensuring the integrity of the entity's financial controls and reporting.

Management is responsible for establishing and maintaining a system of internal control over financial reporting that provides reasonable assurance regarding the reliability of financial reporting, and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards as issued by the International Accounting Standards and the ICFR framework.

Section 7(2f) of the Financial Reporting Act 2011 (As amended) further requires that management perform an assessment of internal controls, including information system controls. Management is responsible for maintaining evidential matters, including documentation, to provide reasonable support for its assessment of internal control over financial reporting.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

The firm applies the International Standard on Quality Management 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Auditor's Responsibility and Approach

Our responsibility is to express a limited assurance opinion on the Bank's internal control over financial reporting based on our Assurance engagement.

We performed our work in accordance with the FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting and the International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than the Audits or Reviews of Historical Financial Information (ISAE 3000) revised. That Standard requires that we comply with ethical requirements and plan and perform the limited assurance engagement to obtain limited assurance on whether any matters come to our attention that causes us to believe that the Bank did not establish and maintain an effective system of internal control over financial reporting in accordance with the ICFR framework.

That Guidance requires that we plan and perform the Assurance engagement and provide a limited assurance report on the entity's internal control over financial reporting based on our assurance engagement.

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The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion on whether the Bank established and maintained an effective system of internal control over financial reporting.

As prescribed in the Guidance, the procedures we performed included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our engagement also included performing such other procedures as we considered necessary in the circumstances.

We believe the procedures performed provides a basis for our report on the internal control put in place by management over financial reporting.



Deloitte & Touché (FRC/2022/COY/091021)
David Achugamonu (FRC/2013/PRO/ICAN/004/00000000840)
Lagos Nigeria
9 April 2025





STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2024

<i>In thousands of Naira</i>	Note(s)	12 months to 31 Dec 2024	18 months to 31 Dec 2023
Interest income using effective interest rate	9	106,548,813	30,290,955
Interest expense using effective interest rate	10	(22,331,051)	(5,457,728)
Net interest income		84,217,762	24,833,227
Fees and commission income	11	22,340,608	16,727,915
Fees and commission expense	11	(641,160)	(272,766)
Net fees and commission income		21,699,448	16,455,149
Trading income and foreign exchange differences	12	2,870,082	73,869
Other operating income	13	689,612	717,467
Operating income		109,476,904	42,079,712
Net impairment loss on financial instruments	14	(6,313,519)	(5,085,863)
Net operating income after impairment loss		103,163,385	36,993,849
Personnel expenses	15	(6,536,314)	(6,360,124)
Other operating expenses	16.1	(35,619,108)	(13,362,429)
Depreciation and amortisation	16.2	(3,611,166)	(3,122,618)
Total expenses		(45,766,588)	(22,845,171)
Profit before income and windfall taxes		57,396,797	14,148,678
Income tax expense	17(a)	(17,579,784)	(4,814,627)
Windfall tax		(67,638)	-
Profit for the year		39,749,375	9,334,051
Other comprehensive income:			
Items that will not be reclassified to profit or loss in subsequent year:			
Items that will be reclassified to profit or loss in subsequent year:			
Debt instruments at fair value through other comprehensive income:			
- Net change in fair value during the year		(1,244,140)	874,490
- Changes in allowance for expected credit losses		508,000	19,761
Net gains/(loss) on debt instruments at fair value through other comprehensive income		(736,140)	894,251
Other comprehensive income for the year, net of tax		(736,140)	894,251
Total comprehensive income for the year, net of tax		39,013,235	10,228,302
Earnings per share - basic (in kobo)	18	152.9k	35.9k

The accompanying notes form part of the financial statements.

STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 31 DECEMBER 2024

<i>In thousands of Naira</i>	Note(s)	31 Dec 2024	31 Dec 2023
ASSETS			
Cash and balances with Central Bank of Nigeria	19	187,467,154	28,414,841
Due from banks	20	117,573,256	31,736,918
Pledged assets	21	382,207,256	872,765
Loans and advances to customers	22	173,265,581	176,149,109
Investments in securities:			
- Debt instruments at fair value through profit or loss	23(a)	5,616,549	-
- Debt instruments at fair value through other comprehensive income	23(b)	122,311,189	44,458,156
- Debt instruments at amortised cost	23(c)	6,381,065	5,494,709
Other assets	24	4,461,401	1,854,308
Property, plant and equipment	25.1	21,570,243	12,224,286
Right-of-use asset	25.2	7,546,076	5,405,539
Intangible assets	26	5,353,640	4,459,963
TOTAL ASSETS		1,033,753,410	311,070,594
LIABILITIES			
Deposits from customers	27	451,910,733	260,922,480
Current income tax payable	17(b)	18,365,252	2,925,942
Other borrowed funds	28	439,031,240	1,432,960
Other liabilities	30	43,198,538	7,960,584
Trading liabilities	29	7,826,109	-
Provisions	30	1,328,646	62,106
Deferred tax liabilities	17	751,355	1,538,220
TOTAL LIABILITIES		962,411,873	274,842,292
EQUITY			
Share capital	31	26,000,000	26,000,000
Retained earnings		30,458,398	6,533,836
Other components of equity	31.1	14,883,139	3,694,466
TOTAL EQUITY		71,341,537	36,228,302
TOTAL LIABILITIES AND EQUITY		1,033,753,410	311,070,594

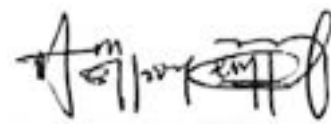
The financial statements were approved by the Board of Directors on 26 March, 2025 and signed on its behalf by:



Perez Araka
Chairman
FRC/2022/PRO/DIR/003/536053



Emmanuel Efe Emefienim, CON
Managing Director/ CEO
FRC/2022/PRO/DIR /003/818606



Ayodele Shoyemi
Chief Financial Officer

The accompanying notes form part of the financial statements.



STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2024

EQUITY RESERVES						
<i>In thousands of Naira</i>	Share capital	Fair value reserve	Statutory reserve	Total other components of equity	Retained earnings	Total
At 1 January 2024	26,000,000	894,251	2,800,215	3,694,466	6,533,836	36,228,302
Comprehensive income for the year:						
Profit for the year	-	-	-	-	39,749,375	39,749,375
Other comprehensive income for the year, net of tax:						
Net change in fair value of other financial instruments at FVOCI	-	(1,244,140)	-	(1,244,140)	-	(1,244,140)
Changes in allowance for expected credit losses of debt instruments at FVOCI	-	508,000	-	508,000	-	508,000
Net reclassification adjustment for realised net gains	-	-	-	-	-	-
Total comprehensive income	-	(736,140)	-	(736,140)	39,749,375	39,013,235
Transactions with equity holders, recorded directly in equity:						
Dividends to equity holders	-	-	-	-	(3,900,000)	(3,900,000)
Transfer to statutory reserve (Notes 31.1a)	-	-	11,924,813	11,924,813	(11,924,813)	-
	-	-	11,924,813	11,924,813	(15,824,813)	(3,900,000)
As at 31 December 2024	26,000,000	158,111	14,725,028	14,883,139	30,458,398	71,341,537

EQUITY RESERVES						
<i>In thousands of Naira</i>	Share capital	Fair value reserve	Statutory reserve	Total other components of equity	Retained earnings	Total
At 1 July 2022	26,000,000	-	-	-	-	26,000,000
Issuance of shares						
Comprehensive income for the period:						
Profit for the period	-	-	-	-	9,334,051	9,334,051
Other comprehensive income for the period, net of tax:						
Net change in fair value of other financial instruments at FVOCI	-	874,490	-	874,490	-	874,490
Changes in allowance for expected credit losses of debt instruments at FVOCI	-	19,761	-	19,761	-	19,761
Total comprehensive income	-	894,251	-	894,251	9,334,051	10,228,302
Transactions with equity holders, recorded directly in equity:						
Transfer to statutory reserve (Notes 31.1a)	-	-	2,800,215	2,800,215	(2,800,215)	-
	-	-	2,800,215	2,800,215	(2,800,215)	-
As at 31 December 2023	26,000,000	894,251	2,800,215	3,694,466	6,533,836	36,228,302

The accompanying notes form part of the financial statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

<i>In thousands of Naira</i>	Note(s)	31 Dec 2024	31 Dec 2023
Profit before income tax expense		57,396,797	14,148,678
Adjustments for non cash items:			
Net impairment loss on financial instruments	14	6,313,519	5,085,863
Depreciation and amortisation	16.2	3,611,166	3,122,618
Gain on disposal of property and equipment	13	-	(4,627)
Gain on disposal of securities at FVOCI	13	(587,551)	(671,253)
Net interest income		(84,217,762)	(24,833,227)
Revaluation loss on Trading securities	12	261,231	-
Net foreign exchange gain	12	(391,415)	(73,869)
		(17,614,015)	(3,225,818)
Changes in operating assets:			
Deposits with the Central Bank of Nigeria		(153,771,620)	(25,434,638)
Pledged assets		(381,381,623)	(872,765)
Loans and advances to customers		(1,601,916)	(181,150,567)
Other assets		(2,607,093)	(1,854,308)
		(556,976,267)	(212,538,096)
Changes in operating liabilities:			
Deposits from customers		190,988,253	260,922,480
Trading liabilities		7,826,109	-
Other liabilities		35,237,954	7,960,584
Cash generated from operations		(322,923,951)	56,344,968
Interest received		89,408,191	22,073,796
Interest paid on deposits from banks and customers		(14,499,333)	(4,387,282)
VAT paid		(1,606,664)	(1,255,471)
Windfall tax paid		(19,328)	-
Income tax paid	17(b)	(2,927,338)	(350,465)
Net cash flows (used in) / generated from operating activities		(252,568,424)	72,425,547
Investing activities			
Purchase of property, plant and equipment	25.1	(11,289,482)	(13,901,711)
Purchase of intangible assets	26	(2,025,690)	(5,422,523)
Right-of-use-asset		(1,752,258)	(5,250,581)
Proceeds from sale of property, plant and equipment		-	24,300
Purchase of debt instruments at FVOCI		(86,809,707)	(66,416,745)
Purchase of debt instruments at amortised cost		(892,760)	(5,269,200)
Proceeds from sale/redemption of debt instruments at FVOCI		7,733,891	31,192,908
Net cash flows used in investing activities		(95,036,006)	(65,043,552)
Financing activities:			
Share capital	31	-	26,000,000
Proceeds from other borrowed funds	28	1,020,856,376	7,696,325
Repayments of other borrowed funds	28	(584,335,580)	(6,268,640)
Interest paid on other borrowed funds	28	(6,401,936)	(92,558)
Dividend paid		(3,900,000)	-
Net cash flows generated from financing activities		426,218,860	27,335,127
Net increase in cash and cash equivalents		78,614,430	34,717,122
Effect of exchange rate changes on cash and cash equivalents		12,502,601	-
Cash and cash equivalents at 1 Jan		34,717,122	-
Cash and cash equivalents at 31 December	35	125,834,153	34,717,122

The accompanying notes form part of the financial statements.



STATEMENT OF PRUDENTIAL ADJUSTMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

The regulators, Central Bank of Nigeria and Nigeria Deposit Insurance Corporation, stipulate that impairment allowance for financial assets shall be determined based on the requirements of IFRS.

The IFRS allowance should then be compared with the impairment determined under the prudential guidelines as prescribed by CBN and the difference should be treated as follows:

- (i) Prudential provision is greater than IFRS provision - transfer the difference from the Retained Earnings to a non-distributable Regulatory Risk Reserve.
- (ii) Prudential provision is less than IFRS provision - the excess should be transferred from the Regulatory Risk Reserve to the Retained Earnings to the extent of the non-distributable reserve previously recognized.

<i>In thousands of Naira</i>	Note(s)	31 Dec 2024	31 Dec 2023
Transfer to Regulatory Risk Reserve			
Prudential provision		3,690,000	3,646,163
Total Prudential provision		3,690,000	3,646,163
IFRS provision			
Impairment allowance on Term loans	22.1	9,463,918	4,999,534
Impairment allowance on Overdrafts	22.2	22,983	1,923
Impairment allowance on pledged assets at FVOCI	21.2	366,482	668
Impairment allowance on pledged assets at amortised cost	21.3	47,132	-
Impairment allowance on debt instruments at FVOCI	23(b)	161,278	19,093
Impairment allowance on debt instruments at amortised cost	23(c)	8,943	2,539
Provisions for letters of credits and guarantees	30.5	1,328,646	62,106
		11,399,382	5,085,863
Difference in impairment provision balances		(7,709,382)	(1,439,700)
Movement in the Regulatory Risk Reserve:			
Balance at the beginning of the year		-	-
Transfer (from) / to Regulatory Risk Reserve		-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Corporate Information

PremiumTrust Bank Limited, registered address at Plot 1612, Adeola Hopewell street, Victoria Island, Lagos State is a full commercial bank in Nigeria incorporated under the Companies and Allied Matters Act 1990 as a Limited liability company. It obtained a letter of approval for license from Central Bank of Nigeria (CBN) to operate as a Commercial Bank on the 19th of April, 2022 and commenced business effective 1 July 2022.

The Bank is engaged in commercial banking businesses with emphasis in retail and consumer banking, trade services, corporate and investment activities. It also provides wholesale banking services including the granting of loans and advances, money market operations as well as digital and transaction banking across a wide range of platforms and channels to deliver personalised solutions to its customers with aim of growing their business for them.

The financial statements of Premium Trust Bank Limited for the year ended 31 December 2024 were authorised for issue in accordance with a resolution of the Board of Directors on 26 March 2025.

2 Accounting Policies

2.1 BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

The financial statement of the Bank is prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and in the manner required by the Companies and Allied Matters Act 2020, the Financial Reporting Council of Nigeria (Amendment) Act, 2023, the Banks and Other Financial Institutions Act 2020, and relevant Central Bank of Nigeria circulars.

The separate financial statements are prepared on a historical cost basis, except for financial assets measured at fair value.

(a) Functional and Presentation currency

The financial statement is presented in Nigerian Naira and all values are rounded to the nearest thousand (N'000) except when otherwise indicated.

(b) Presentation of financial statements

The Bank presents its statement of financial position in order of liquidity.

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liability simultaneously. Income and expenses are not offset in the income statement unless required or permitted by any IFRS accounting standard or interpretation, and as specifically disclosed in the accounting policies of the Bank.

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES

The following are the material accounting policies applied by the Bank in preparing its financial statements:

2.2.1 Taxes

Tax expense comprises current and deferred tax. Current tax and deferred taxes are recognized in profit or loss except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

(i) Current tax

Current tax is the expected tax payable on taxable profit or loss for the period determined in accordance with the Companies Income Tax Act (CITA), using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Tax assessments are recognized when assessed and agreed to by the Bank with the Tax Authorities, or when appealed, upon receipt of the results of the appeal.

(ii) Deferred tax

Deferred tax is recognized as timing differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Deferred tax is not recognized for the following temporary differences:

- the initial recognition of goodwill; and
- the initial recognition of assets or liabilities in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities against current tax assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis, or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Unrecognized deferred tax assets are reviewed at each reporting date and are recognized to the extent that it is probable that sufficient future taxable profits or sufficient future taxable temporary differences will be available against which can be used.

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend is recognized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

2.2.2 Financial instruments

(i) Recognition and initial measurement

Regular purchases and sales of financial assets and liabilities are recognized on the trade date. A financial asset or financial liability is measured initially at fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, direct and incremental transaction costs that are directly attributable to its acquisition or issue. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit or loss at initial recognition. Financial assets that are transferred to third parties but do not qualify for derecognition are presented in the state-

ment of financial position as “pledged asset” if the transferee has the right to sell or re-pledge them.

(ii) Classification of financial instruments

The Bank classified its financial assets under IFRS 9, into the following measurement categories:

- Those to be measured at fair value through other comprehensive income (FVOCI) (either with or without recycling). Included in this classification are debt instruments at FVOCI;
- Those to be measured at fair value through profit or loss (FVTPL); and
- Those to be measured at amortized cost. Included in this classification are debt instruments at amortized cost, loans and advances etc.

The classification depends on the Bank’s business model for managing financial assets and the contractual cashflow characteristics of the financial asset (i.e., solely payments of principal and interest- SPPI test). Directors determine the classification of the financial instruments at initial recognition.

The Bank classifies its financial liabilities at fair value through profit or loss and liabilities at amortized cost.

(iii) Subsequent measurement

Financial assets

(i) Debt instruments

The subsequent measurement of financial assets depend on its initial classification:

Amortised cost: A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- The financial asset is held within a business model whose objective is to hold financial assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is determined using the effective interest method and reported in profit or loss as ‘Interest income’.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

The amortized cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount recognized and the maturity amount, minus any reduction for impairment.

The Bank's financial assets at amortized cost include due from banks, loans and advances to customers, and other debt instruments at amortized cost.

Fair value through other comprehensive income (FVOCI): Investment in debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The debt instrument is subsequently measured at fair value. Gains and losses arising from changes in fair value are included in other comprehensive income (OCI) and accumulated in a separate component of equity. Impairment gains or losses, interest revenue and foreign exchange gains and losses are recognized in profit and loss. Upon disposal or derecognition, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other operating income. Interest income from these financial assets is determined using the effective interest method and recognized in profit or loss as 'Interest income'.

The measurement of credit impairment is based on the three-stage expected credit loss model as applied to financial assets at amortised cost.

The Bank's financial assets at fair value through other comprehensive income includes but not limited to treasury bills and, government bonds.

Fair value through profit or loss (FVTPL): Financial assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. The gain or loss arising from changes in fair value as well as cash returns on debt investment that is

subsequently measured at fair value through profit or loss and is not part of a hedging relationship is included directly in the profit or loss and reported as 'Net trading income' in the period in which it arises.

(iv) Business model assessment

The Bank makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

The information considered includes:

- 1) The stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realizing cash flows through the sale of the assets;
- 2) How the performance of the portfolio is evaluated and reported to the Bank's management;
- 3) The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- 4) How managers of the business are compensated e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- 5) The frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Bank's stated objective for managing the financial assets is achieved and how cash flows are realised.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Assessment of whether contractual cash flows are solely payments of principal and interest on principal

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Bank considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Bank considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Bank's claim to cash flows from specified assets (e.g. non-recourse asset arrangements); and
- Features that modify consideration of the time value of money – e.g. periodical reset of interest rates.

The Bank holds a portfolio of long-term fixed rate loans for which the Bank has the option to revise the interest rate at future dates. These reset rights are limited to the market rate at the time of revision. The right to reset the rates of the loans based on the revision in market rates are part of the contractually agreed terms on inception of the loan agreement, therefore the borrowers are obligated to comply with the reset rates without any option of repayment of the loans at par at any reset date.

The Bank has determined that the contractual cash flows of these loans are solely payments of principal and interest because the option varies with the interest rate in a way that is considered a consideration for the time value of money, credit risk, other basic lending risks and costs associated with the principal amount outstanding.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Financial liabilities

The Bank classifies financial liabilities into financial liabilities at amortized cost and fair value through profit or loss. Financial liabilities are derecognized when extinguished. i.e. when the obligation specified in the contract is discharged or cancelled or expires.

(i) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss are financial liabilities held for trading. A financial liability is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term or if it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking.

Gains and losses arising from changes in fair value of financial liabilities classified as fair value through profit or loss are included in the profit or loss and are reported as 'Net trading income on financial instruments classified as fair value through profit or loss'. Interest expenses on financial liabilities held for trading are included in 'Net trading income on financial instruments classified as fair value through profit or loss'.

Where a financial liability is designated at fair value through profit or loss, the movement in fair value attributable to changes in the Bank's own credit quality is calculated by determining the changes in credit spreads above observable market interest rates and is presented separately in other comprehensive income.

(ii) Financial liabilities at amortised cost

Financial liabilities that are not classified at fair value through profit or loss fall into this category and are measured at amortized cost. Financial liabilities measured at amortized cost are deposits from banks or customers, debt securities in issue for which the fair value option is not applied, convertible bonds and subordinated debts.

(v) Reclassifications

Financial assets are not reclassified after their initial recognition, except in the period after the Bank

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

changes its business model for managing financial assets that are debt instruments. A change in the objective of the Bank's business occurs only when the Bank either begins or ceases to perform an activity that is significant to its operations (e.g., via acquisition or disposal of a business line).

The following are not considered to be changes in the business model:

- A change in intention related to particular financial assets (even in circumstances of significant changes in market conditions)
- A temporary disappearance of a particular market for financial assets
- A transfer of financial assets between parts of the entity with different business models

When reclassification occurs, the Bank reclassifies all affected financial assets in accordance with the new business model. Reclassification is applied prospectively from the 'reclassification date'. Reclassification date is 'the first day of the first reporting period following the change in business model. Gains, losses or interest previously recognized are not restated when reclassification occurs.

The Bank may only sell insignificant portion of debt instruments measured at amortised cost frequently without triggering a change in business model. If the Bank sells significant portions, this will not be more than twice a year subject to cases of unlikely to reoccur events such as:

- Run on the Bank/stressed liquidity scenarios
- Credit risk event i.e. perceived issuer default
- In the event of merger and takeover, the Bank may sell portion of the portfolio if the security holdings violates set limits
- Other one-off events

Significance is defined to mean 5% of the portfolio value and subject to the policy on frequency above.

The Bank may sell debt instruments measured at amortized cost without triggering a change in business model if the sale is due to deterioration in the credit quality of the financial assets or close to maturity. A financial asset is said to be close to maturity if the outstanding tenor of the financial asset from the time of issue is 25% or less of the original tenor.

Sales close to maturity are acceptable if the proceeds from the sales approximate the collection of the

remaining contractual cash flows. At the point of sale an assessment will be conducted to determine whether there is more than 10% different from the remaining cash flows.

(vi) Modifications of financial assets and financial liabilities

(i) Financial assets

If the terms of a financial asset are modified, the Bank evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognized, and a new financial asset is recognized at fair value.

Any difference between the amortized cost and the present value of the estimated future cash flows of the modified asset or consideration received on derecognition is recorded in profit or loss as 'gains and losses arising from the derecognition of financial assets measured at amortized cost'. If the cash flows of the modified asset carried at amortized cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the Bank recalculates the gross carrying amount of the financial asset and recognizes the amount arising from adjusting the gross carrying amount as a modification gain or loss in profit or loss as part of interest income for the year.

In determining when a modification to terms of a financial asset is substantial or not to the existing terms, the Bank will consider the following non-exhaustive criteria.

Qualitative criteria

Scenarios where modifications may lead to derecognition of existing loan and recognition of a new loan, i.e. substantial modification, are:

- Conversion of a bullet repayment financial asset to amortizing financial asset or vice versa
- Extension of financial asset's tenor
- Reduction in repayment of principal and interest
- Capitalizations of overdue repayments into a new principal amount
- Change in frequency of repayments i.e. change of monthly repayments to quarterly or yearly repayments



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

- Reduction of financial asset's tenor

On the occurrence of any of the above factors, the Bank will perform a 10% test (see below) to determine whether or not the modification is substantial.

Scenarios where modification will not lead to derecognition of existing financial assets are:

- Change in interest rate arising from a change in MPR which is a benchmark rate that drives borrowing rates in Nigeria
- Bulk repayment of financial asset

Quantitative criteria

A modification would lead to derecognition of existing financial asset and recognition of a new financial asset, i.e. substantial modification, if:

- The discounted present value of the cash flows under the new terms, including any fees received net of any fees paid and discounted using the original effective interest rate, is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial asset.

A modification would not lead to derecognition of existing financial asset if:

- the discounted present value of the cash flows under the new terms, including any fees received net of any fees paid and discounted using the original effective interest rate, is less than 10 per cent different from the discounted present value of the remaining cash flows of the original financial asset.
- If the terms of a financial asset are renegotiated or modified or an existing financial asset is replaced with a new one due to financial difficulties of the borrower, then an assessment is made of whether the financial asset should be derecognized (see below) and Expected credit losses (ECL) are measured as follows:
 - if the expected restructuring will not result in derecognition of the existing asset, then the expected cash flows arising from the modified financial asset are included in calculating the cash shortfalls from the existing asset.
 - if the expected restructuring will result in derecognition of the existing asset, then the expected fair value of the new asset is treated as the final cash

flows from existing financial asset at the time of its derecognition. This amount is included in calculating the cash shortfalls from existing financial asset that are discounted from expected date of derecognition to the reporting date using original effective interest rate of the existing financial asset.

(ii) Financial liabilities

The Bank derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. This occurs when the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10 percent different from the discounted present value of the remaining cash flows of the original financial liability. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss. If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognized as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment (i.e the modified liability is not substantially different), any costs or fees incurred adjust the carrying amount of the liability and are amortized over the remaining term of the modified liability.

(vii) Impairment of financial assets

The Bank recognises loss allowances for ECL on the following financial instruments that are not measured at FVTPL:

- Financial assets that are debt instruments;
- Financial guarantee contracts issued; and
- Loan commitments issued.

No impairment loss is recognized on equity investments. The Bank measures loss allowances at an amount equal to lifetime ECL, except for the following, for which they are measured as 12-month ECL:

- Risk free and gilt edged debt investment securities that are determined to have low credit risk at the reporting date; and
- Other financial instruments on which credit risk has not increased significantly since their initial recognition.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

The Bank considers a risk free and gilt-edged debt security to have low credit risk when their credit risk rating is equivalent to the globally understood definition of 'investment grade'.

12-month ECL are the portion of lifetime ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

1. Measurement of Expected Credit loss (ECL)

ECLs are a probability-weighted estimate of credit losses. They are measured as follows:

- Financial assets that are not credit-impaired at the reporting date: ECL is the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the entity expects to receive);
- Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit impaired financial assets) : ECL represents the difference between the gross carrying amount and the present value of estimated future cash flows.
- Undrawn loan commitments: ECL is the present value of the difference between the contractual cash flows that are due to Bank if the commitment is drawn down and the cash flows that the Bank expects to receive; and
- Financial guarantee contracts: This is the expected payments to reimburse the holder less any amounts that the Bank expects to recover.

2. Credit-impaired financial assets

At each reporting date, the Bank assesses whether financial assets carried at amortized cost and debt financial assets carried at FVOCI are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows on the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the borrower or issuer;
- A breach of contract such as a default or past due event;
- For economic or contractual reasons relating to the borrower's financial difficulty, having granted to the

borrower a concession(s) that the Bank would not otherwise consider;

- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- The disappearance of an active market for a security because of financial difficulties.
- The purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

A loan that has been renegotiated due to a deterioration in the borrower's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has not reduced significantly and there are no other indicators of impairment. In addition, loans that are more than 90 days overdue are considered impaired.

In making an assessment of whether an investment in sovereign debt is credit-impaired, the Bank considers the following factors.

- The market's assessment of creditworthiness as reflected in the bond yields.
- The rating agencies' assessments of creditworthiness.
- The country's ability to access the capital markets for new debt issuance.
- The probability of debt being restructured, resulting in holders suffering losses through voluntary or mandatory debt forgiveness.
- The international support mechanisms in place to provide the necessary support as 'lender of last resort' to that country, as well as the intention, reflected in public statements, of governments and agencies to use those mechanisms. This includes an assessment of the depth of those mechanisms and, irrespective of the political intent, whether there is the capacity to fulfil the required criteria.

3. Presentation of allowance for ECL in the statement of financial position

Loan allowances for ECL are presented in the statement of financial position as follows:

- **Financial assets measured at amortised cost:** as a deduction from the gross carrying amount of the assets;
- **Loan commitments and financial guarantee contracts:** generally, as a provision within other liabilities;



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

- Where a financial instrument includes both a drawn and an undrawn component, and the Bank cannot identify the ECL on the loan commitment component separately from those on the drawn component: the Bank presents as a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision; and
- **Debt instruments measured at FVOCI:** no loss allowance is recognized in the statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance is disclosed and is recognized in the “fair value reserve”.

4. Reversal of Impairment

Similarly, to assessing whether assets are impaired, there is need to assess at the end of each reporting period, whether there is any indication that an impairment loss recognised in prior periods should be reversed or partially reversed.

For assets measured at amortised cost: If an event occurring after the impairment was recognised caused the amount of impairment loss to decrease, then the decrease in impairment loss should be reversed through profit or loss.

Impairment losses are recognised in profit or loss and reflected in an allowance account against loans and receivables or amortised cost investment securities.

Impairment losses on investment securities at fair value through other comprehensive income are recognised by reclassifying the losses accumulated in the fair value reserve in equity to profit or loss. The cumulative loss that is reclassified from equity to profit or loss is the difference between the acquisition cost, net of any principal repayment and amortization, and the current fair value.

5. Write-off

After a full evaluation of a non-performing exposure, in the event that either one or all of the following conditions apply, such exposure is recommended for write-off (either partially or in full):

- continued contact with the customer is impossible;
- recovery cost is expected to be higher than the outstanding debt;
- amount obtained from realisation of credit collateral security leaves a balance of the debt; or
- it is reasonably determined that no further recovery on the facility is possible.

All credit facility write-offs require endorsement at the board level, as defined by the Bank. Credit write-off approval is documented in writing and properly initialed by the Credit collection and recoveries.

A write-off constitutes a derecognition event. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Bank’s procedures for recovery of amount due. Whenever amounts are recovered on previously written-off credit exposures, such amount recovered is recognized as income on a cash basis only.

(viii) Offsetting financial instruments

Financial assets and liabilities are set off and the net amount presented in the statement of financial position when, and only when, the Bank has a legal right to set off the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under IFRSs, or for gains and losses arising from a Bank of similar transactions such as in the Bank’s trading activity.

(ix) De-recognition of financial instruments

The Bank derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Bank neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Bank recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Bank retains substantially all the risks and rewards of ownership of a transferred financial asset, the Bank continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

Financial assets that are transferred to a third party but do not qualify for derecognition are presented in the

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

statement of financial position as 'Assets pledged as collateral if the transferee has the right to sell or repledge them.

The Bank derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

(x) Financial guarantees and loan commitments

The date that the entity becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of applying the impairment requirements. Financial guarantees issued are initially measured at fair value and the fair value is amortised over the life of the guarantee. Subsequently, the financial guarantees are measured at the higher of this amortised amount and the amount of expected loss allowance (See Note 32(b)). The Bank also recognises loss allowance for its loan commitments (See Note 32(b)). The expected loss allowance for the Loan commitment is calculated as the present value of the difference between the contractual cash flows that are due to the Bank if the commitment is drawn down and the cash flows that the Bank expects to receive.

The Bank has issued no loan commitment that is measured at FVTPL.

(xi) Definition of Default

The Bank considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Bank in full, without recourse by the Bank to actions such as realising security (if any is held); or
- the borrower is past due more than 90 days on any material credit obligation to the Bank. Overdrafts are considered as being past due once the customer has breached an advised limit or been advised of a limit smaller than the current amount outstanding.

In assessing whether a borrower is in default, the Bank considers indicators that are:

- qualitative - e.g., breaches of covenant.
- quantitative - e.g., overdue status and non-payment on another obligation of the same issuer to the Group; and
- based on data developed internally and obtained from external sources.

Inputs into the assessment of whether a financial instrument is in default and their significance may vary over time to reflect changes in circumstances. The definition of default largely aligns with that applied by the Bank for regulatory capital purposes, except where there is regulatory waiver on specifically identified loans and advances.

2.2.3 Revenue recognition

Interest income and expense

Interest income and expenses are recognised in profit or loss using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- The gross carrying amount of the financial asset; or
- The amortised cost of the financial liability.

When calculating the effective interest rate for financial instruments other than credit-impaired assets, the Bank estimates future cash flows considering all contractual terms of the financial instrument, but not expected credit losses. For credit-impaired financial assets, a credit-adjusted effective interest rate is calculated using estimated future cash flows including expected credit losses.

The calculation of the effective interest rate includes transaction costs and fees paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or financial liability.

a. Amortised cost and gross carrying amount

The amortized cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount and the maturity amount and, for financial assets, adjusted for any expected credit loss allowance.

The gross carrying amount of a financial asset is the amortized cost of a financial asset before adjusting for any expected credit loss allowance.



NOTES TO THE FINANCIAL STATEMENTS

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b. Calculation of interest income and expenses

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortized cost of the liability. The effective interest rate is revised as a result of periodic re-estimation of cash flows of floating-rate instruments to reflect movements in market rates of interest.

However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

For financial assets that are credit-impaired on initial recognition, interest income is calculated by applying the credit-adjusted effective interest rate to the amortized cost of the asset. The calculation of interest income does not revert to a gross basis, even if the credit risk of the asset improves.

c. Presentation

Interest income and expense presented in the profit or loss includes:

- interest on financial assets and financial liabilities measured at amortized cost calculated on an effective interest basis;
- interest on debt instruments measured at FVOCI calculated on an effective interest basis;

Interest income and expense on all trading assets and liabilities are considered to be incidental to the Bank's trading operations and are presented together with all other changes in the fair value of trading assets and liabilities in Net trading income on financial instruments classified as held for trading.

Interest income and expense on other financial assets and financial liabilities at FVTPL are presented in Net trading income on financial instruments.

Cash flows related to capitalized interest are presented in the statement of cash flows consistently with interest cash flows that are not capitalized.

d. Fees and commission income and expense

Fees and Commission that are integral to the effective interest rate on a financial asset are included in the measurement of the effective interest rate. Fees, such as processing and management fees charged for

assessing the financial position of the borrower, evaluating and reviewing guarantee, collateral and other security, negotiation of instruments' terms, preparing and processing documentation and finalising the transaction are an integral part of the effective interest rate on a financial asset or liability and are included in the measurement of the effective interest rate of financial assets or liabilities.

Other fees and commissions which relates mainly to transaction and service fees, including loan account structuring and service fees are recognized as the related services are performed.

e. Net trading income

Net trading income comprises gains less losses related to trading assets and liabilities, and includes all realised and unrealised fair value changes, interest income on financial assets at fair value through profit or loss, dividends and foreign exchange differences.

2.2.4 Cash and cash equivalents

Cash and cash equivalents include notes and coins in hand, unrestricted balances held with central banks, operating accounts with other banks, amount due from other banks and highly liquid financial assets with original maturities of three months or less from the acquisition date, which are subject to insignificant risk of changes in their fair value, and are used by the Bank in the management of its short-term commitments. Cash and cash equivalents are carried at amortized cost.

For the purposes of the statement of cash flows, cash and cash equivalents include cash and non-restricted balances with central bank, balances held with local banks, balances with foreign banks and money market placements.

2.2.5 Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

the items and restoring the site on which they are located and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of equipment.

When parts of an item of property or equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of the item of property, plant and equipment, and is recognized in other income/other expenses in profit or loss.

(ii) Subsequent costs

The cost of replacing a component of an item of property or equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Bank and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

(iii) Depreciation

Depreciation is recognized in profit or loss on a straight-line basis to write down the cost of each asset, to their residual values over the estimated useful lives of each part of an item of property, plant and equipment.

Depreciation begins when an asset is available for use and ceases at the earlier of the date that the asset is derecognized or classified as held for sale in accordance with IFRS 5 -Noncurrent Assets Held for Sale and Discontinued Operations. A non-current asset or disposal group is not depreciated while it is classified as held for sale. Leasehold land is not depreciated.

The estimated useful lives for property, plant and equipment are as follows:

Freehold buildings	50 years
Leasehold improvements	10 years
Furniture & fittings	5 years
Office equipment	5 years
Computer equipment	5 years
Motor vehicles	5 years

Capital work in progress consists of items of property, plant and equipment that are not yet available for use. Capital work in progress is not depreciated, it is transferred to the relevant asset category upon completion.

Depreciation methods, useful lives and residual values are reassessed at each reporting date and adjusted if applicable.

(iv) De-recognition

An item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period the asset is derecognized.

2.2.7 Intangible assets

Software

Software acquired by the Bank is stated at cost less accumulated amortisation and accumulated impairment. Expenditure on internally developed software is recognized as an asset when the Bank is able to demonstrate its intention and ability to complete the development and use the software in a manner that will generate future economic benefits and can reliably measure the costs to complete the development. The capitalised costs of internally developed software include all costs directly attributable to developing the software and are amortized over its useful life. Internally developed software is stated at capitalised cost less accumulated amortisation and impairment.

Subsequent expenditure on software assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred. Amortisation is recognized in profit or loss on a straight-line basis over the estimated useful life of the software, from the date that it is available for use since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life of software is five (5) years. Amortisation method, useful lives, and residual values are reviewed at each financial year-end and accounted for prospectively.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

2.2.8 Leases

At inception of a contract, the Bank assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Bank uses the definition of a lease in IFRS 16.

(i) Bank as a lessee

At commencement or on modification of a contract that contains a lease component, the Bank allocates consideration in the contract to each lease component on the basis of its relative stand-alone price.

(a) Initial Measurement

The Bank recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove any improvements made to branches or office premises.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Bank's incremental borrowing rate. Generally, the Bank uses its incremental borrowing rate as the discount rate.

The Bank determines its incremental borrowing rate by analysing its borrowings from various external sources and makes certain adjustments to reflect the terms of the lease and type of asset leased.

The right of use asset (ROU) is measured at cost at the commencement date. The cost of ROU comprises:

- The amount equal to the lease liability at its initial recognition.

- Lease payments made at or before the commencement of the lease (less any lease incentives received).
- Any initial direct costs incurred by the lessee; and
- An estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured if there is a modification, i.e. when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Bank's estimate of the amount expected to be payable under a residual value guarantee, if the Bank changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

(b) Subsequent Measurement

The lease liability is subsequently measured by increasing and decreasing the carrying amount with the interest on lease liability and lease payment respectively.

The right of use asset is reduced by the depreciation charge on the asset (depreciation is calculated on straight line basis using the lesser of the useful life of the asset and the lease term)

(c) Presentation and Disclosure of Leases

Right of use assets and Lease Liability are presented separately in the Statement of Financial Position.

Depreciation charge for right of use asset is presented the same way as depreciation/amortization of assets are accounted for under IAS16/IAS38.

Interest expense on the lease liability should be included in finance cost.

NOTES TO THE FINANCIAL STATEMENTS

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Short-term leases and leases of low-value assets

The Bank has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including leases of IT equipment. The Bank recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

2.2.9 Impairment of non-financial assets

The carrying amounts of the Bank's non-financial assets other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The Bank assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Bank estimates the asset's recoverable amount. An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable group of assets that generates cash flows that largely are independent from other assets and group. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (Group of units) on a pro rata basis.

The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Banks of assets. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In respect of other assets, impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there

has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognized.

2.2.10 Employee benefits

(i) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in profit or loss in the periods during which services are rendered by employees. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available. Contributions to a defined contribution plan that is due more than 12 months after the end of the period in which the employees render the service are discounted to their present value at the reporting date.

The Bank operates a funded defined contribution retirement benefit scheme for its employees under the provisions of the Pension Reform Act 2014. The employer and the employee contributions are 10% and 8%, respectively of the qualifying employee's monthly basic, housing and transport allowance. Obligations in respect of the Bank's contributions to the scheme are recognized as an expense in the profit or loss account on an annual basis.

The Bank operates a funded defined contribution retirement benefit scheme for its employees under the provisions of the Pension Reform Act 2014. The employer and the employee contributions are 10% and 8%, respectively of the qualifying employee's monthly basic, housing and transport allowance. Obligations in respect of the Bank's contributions to the scheme are recognised as an expense in the profit or loss account on an annual basis.

(ii) Termination benefits

The Bank recognises termination benefits as an expense when the Bank is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage



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voluntary redundancy. The Bank settles termination benefits within twelve months and are accounted for as short-term benefits.

(iii) Short-term benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service.

A liability is recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Bank has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

2.2.11 Contingencies

(i) Contingent asset

Contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

A contingent asset is disclosed when an inflow of economic benefit is probable. When the realisation of income is virtually certain, then the related asset is not contingent and its recognition is appropriate. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements.

(ii) Contingent liability

Contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefit is remote. A provision for the part of the obligation for which an outflow of resources embodying economic benefits is probable is recognized, except in the

extremely rare circumstances where no reliable estimate can be made.

Contingent liabilities are assessed continually to determine whether an outflow of economic benefit has become probable.

(iii) Provisions

Provisions are recognized when the Bank has a present obligation (legal or constructive) as a result of a past event, it is probable that the Bank will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (When the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

2.2.12 Share capital

(i) Share issue costs

Incremental costs directly attributable to the issue of an equity instrument are deducted from the proceeds of the equity instruments.

(ii) Share premium

Any excess of the fair value of the consideration received over the par value of shares issued is recognized as share premium.

(iii) Dividend on ordinary shares

Dividends on the Bank's ordinary shares are recognized in equity in the period in which they are approved and declared by the Bank's shareholders.

NOTES TO THE FINANCIAL STATEMENTS

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2.2.13 Equity reserves

(i) Fair value reserve

The fair value reserve includes the net cumulative change in the fair value of financial instruments at fair value through other comprehensive income until the investment is derecognized or impaired.

(ii) Statutory reserve

This represents regulatory appropriation to statutory reserves of 30% of profit after tax if the statutory reserve is less than paid-up share capital and 15% of profit after tax if the statutory reserve is greater than the paid up share capital.

2.2.14 Earnings per share

The Bank presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Bank by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

2.2.15 Segment reporting

An operating segment is a component of the Bank that engages in business activities from which it can earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Bank's other components, whose operating results are reviewed regularly by the Bank's Management Committee (being the chief operating decision maker) to make decisions about resources allocated to each segment and assess its performance, and for which discrete financial information is available. The Bank segment reporting is based on the following operating segments: Lagos & Southwest, South-South and Abuja directorate.

2.2.16 Foreign currency translation

The Bank's functional and presentation currency is Nigerian Naira ("N"). Transactions in foreign currencies are initially recorded at the spot rate of exchange ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the spot rate of exchange at the reporting date. Differences arising from translation of monetary items are recognized in other operating income in the profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the spot exchange rates as at the date of recognition. Non-monetary items measured at fair value in a foreign currency are translated using the spot exchange rates at the date when the fair value was determined.

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in Other Comprehensive Income (OCI) or profit or loss are also recognized in OCI or profit or loss, respectively).

2.2.17 Pledged financial assets

Financial assets pledged as collateral are classified separately from other assets when the counterparty has the right to sell or re-pledge the collateral (by custom or contract) and so debt instruments at FVOCI, and debt instruments at amortized cost are shown separately in the statement of financial position if they can be sold or pledged by the transferee.

Financial investments available for sale pledged as collateral are measured at fair value while financial investments held to maturity are measured at amortized cost.

2.2.18 Fair value definition and measurement

The Bank measures financial instruments at fair value at each statement of financial position date. Fair value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed are summarised in the following notes:

Disclosures for valuation methods, significant estimates and assumptions are in Note 3.

Quantitative disclosures of fair value measurement hierarchy are in Note 6.

Financial instruments (including those carried at amortised cost) are in Note 6.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either: In the principal market for the asset or liability and in the absence of a principal market, in the most advantageous market for the asset or liability.

The Bank uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Bank determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.3 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The following amendments and interpretations became effective in the annual period starting from 1 January, 2024. The new reporting requirements as a result of the amendments and interpretations have been considered and their impact or otherwise are presented below:

(i) Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures titled Supplier Finance Arrangements

The bank has adopted the amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures titled Supplier Finance Arrangements for the first time in the current year.

The amendments add a disclosure objective to IAS 7 stating that an entity is required to disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows. In addition, IFRS 7 is amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity's exposure to concentration of liquidity risk.

The amendments contain specific transition provisions for the first annual reporting period in which the bank applies the amendments. Under the transitional provisions an entity is not required to disclose:

- comparative information for any reporting periods presented before the beginning of the annual reporting period in which the entity first applies those amendments.
- the information otherwise required by IAS 7:44H(b) (ii)–(iii) as at the beginning of the annual reporting period in which the entity first applies those amendments.

The amendment does not have any material impact on the financial statements of the bank.

(ii) Amendments to IAS 1 Classification of Liabilities as Current or Non-current

The bank has adopted the amendments to IAS 1, published in January 2020, for the first time in the current year.

NOTES TO THE FINANCIAL STATEMENTS

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The amendments affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The amendment does not have any material impact on the financial statements of the bank.

(iii) Amendments to IAS 1 Presentation of Financial Statements— Non-current Liabilities with Covenants

The bank has adopted the amendments to IAS 1, published in November 2022, for the first time in the current year.

The amendments specify that only covenants that an entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date (and therefore must be considered in assessing the classification of the liability as current or non-current). Such covenants affect whether the right exists at the end of the reporting period, even if compliance with the covenant is assessed only after the reporting date (e.g. a covenant based on the entity's financial position at the reporting date that is assessed for compliance only after the reporting date).

The IASB also specifies that the right to defer settlement of a liability for at least twelve months after the reporting date is not affected if an entity only has to comply with a covenant after the reporting period. However, if the entity's right to defer settlement of a liability is subject to the entity complying with covenants within twelve months after the reporting period, an entity discloses information that enables users of financial statements to understand the risk of the liabilities becoming repayable within twelve months after the reporting period. This would include information about the covenants (including the nature of the

covenants and when the entity is required to comply with them), the carrying amount of related liabilities and facts and circumstances, if any, that indicate that the entity may have difficulties complying with the covenants.

The amendment does not have any material impact on the financial statements of the bank.

(iv) Amendments to IFRS 16 Leases—Lease Liability in a Sale and Leaseback

The bank has adopted the amendments to IFRS 16 for the first time in the current year.

The amendments to IFRS 16 add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements in IFRS 15 Revenue from Contracts with Customers to be accounted for as a sale. The amendments require the seller-lessee to determine 'lease payments' or 'revised lease payments' such that the seller-lessee does not recognise a gain or loss that relates to the right of use retained by the seller-lessee, after the commencement date.

The amendments do not affect the gain or loss recognised by the seller-lessee relating to the partial or full termination of a lease. Without these new requirements, a seller-lessee may have recognised a gain on the right of use it retains solely because of a remeasurement of the lease liability (for example, following a lease modification or change in the lease term) applying the general requirements in IFRS 16. This could have been particularly the case in a leaseback that includes variable lease payments that do not depend on an index or rate.

As part of the amendments, the IASB amended an Illustrative Example in IFRS 16 and added a new example to illustrate the subsequent measurement of a right-of use asset and lease liability in a sale and leaseback transaction with variable lease payments that do not depend on an index or rate. The illustrative examples also clarify that the liability that arises from a sale and leaseback transaction that qualifies as a sale applying IFRS 15 is a lease liability.

A seller-lessee applies the amendments retrospectively in accordance with IAS 8 to sale and leaseback transactions entered into after the date of initial application, which is defined as the beginning of the annual reporting period in which the entity first applied IFRS 16. The amendment does not have any material impact on the financial statements of the bank.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

3. Material Accounting Judgements, Estimates and Assumptions

The preparation of the Bank's financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and the accompanying disclosure, as well as the disclosure of contingent liability about these assumptions and estimates that could result in outcome that require a material adjustment to the carrying amount of assets and liabilities affected in future periods.

Management discusses with the Audit Committee the development, selection and disclosure of the Bank's critical accounting policies and estimates, and the application of these policies and estimates.

3.1 SIGNIFICANT INCREASE IN CREDIT RISK

At each reporting date, the Bank assesses whether there has been a significant increase in credit risk for exposures since initial recognition by comparing the risk of default occurring over the remaining expected life from the reporting date and the date of initial recognition. The assessment considers borrower – specific quantitative and qualitative information. The common assessments for SICR on retail and non-retail portfolios, including macro-economic outlook, management judgement and delinquency and monitoring.

The Bank adopts a multi-factor approach in assessing changes in credit risk. The approach considers Quantitative, Qualitative and Back stop indicators which are critical in allocating financial assets into stages.

The Bank considers financial instruments to have experienced a significant increase in credit risk when one or more of the following or backstop criteria are met.

Quantitative Indicators

The remaining Lifetime PD at the reporting date has increased, compared to the residual Lifetime PD expected at the reporting date when the exposure was first recognized.

Deterioration in the credit rating of an obligor is based on the Bank's internal rating system. However, the downgrade considers movement from a grade band to

another for instance Investment grade to standard grade. The Bank also considers accounts that meet the criteria to be put on the watchlist bucket in line with CBN prudential guidelines since they have significantly increased in credit risk.

Qualitative Indicators

For Retail loans, if the borrower meets one or more of the following criteria:

- In short-term forbearance.
- Direct debit cancellation
- Extension to the terms agreed
- Previous arrears within the last 12 months.

For Non-retail portfolio, if the borrower is on the watchlist and/or the instrument meets one or more of the following criteria:

- Significant increase in credit spread
- Significant adverse changes in business, financial and/or economic conditions in which the borrower operates
- Actual or expected forbearance or restructuring
- Actual or expected significant adverse changes in the operating results of the obligor
- Significant changes in the collateral value (secured facilities only) which is expected to increase the risk of default.
- Early signs of cashflow/liquidity problems such as delay in servicing loans.

The assessment of SICR incorporates forward-looking information and is performed on a periodic basis. criteria used to identify SICR are monitored and reviewed periodically for appropriateness.

Backstop

A backstop is typically used to ensure that in the (unlikely) event that the quantitative indicators do not change and there is no trigger for the qualitative indicators, an account that has breached the 30 days past due criteria for SICR and 90 days past due criteria for default is transferred to Stage 2 or Stage 3 as the case may be except there is unreasonable and supportable evidence available without undue cost to rebut the presumption.

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Reversal of Impairment

When the bank has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period but determines at the current reporting date that criteria for recognizing the lifetime ECL is no longer met i.e., cured, the bank measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

The Bank observes the following backward transfer criteria (probationary period) to monitor if the criteria for recognizing the lifetime ECL has decreased significantly before the backward transfer can be effected on the credit rating of the customer:

- 90 days probationary period to move a financial instrument from Lifetime ECL not credit – impaired (Stage 2 financial instruments) to 12 months ECL (Stage 1 financial instruments).
- 90 days probationary period to move a financial instrument from Lifetime ECL credit-impaired (Stage 3 financial instruments) to Lifetime ECL not impaired (Stage 2 financial instruments)
- 180 days probationary period to move a loan from Lifetime ECL credit-impaired (Stage 3 financial instruments) to 12 months ECL (Stage 1 financial instruments)

The bank also considers qualitative criteria where necessary. Impairment gains arising from backward transfers will be recognized as part of impairment losses on financial instruments.

3.2 ESTIMATES AND ASSUMPTIONS

The key assumption concerning the future and other key sources of estimation uncertainly at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period, are described below. The Bank based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumption about future developments, however, may change due to market changes or circumstances beyond the control of the Bank. Such changes are reflected in the assumptions when they occur.

(i) Determination of collateral value

Management monitors market value of collateral on a regular basis. Management uses its experienced judge-

ment or independent opinion to adjust the fair value to reflect the current circumstances. The amount and collateral required depend on the assessment of credit risk of the counterparty. The fair value of collateral is generally assessed, at a minimum, at inception and based on the Bank's quarterly reporting schedule, however some collateral, for example, cash or securities relating to margin requirements, is valued daily. To the extent possible, the Bank uses active market data for valuing financial assets, held as collateral. Other financial assets which do not have a readily determinable market value are valued using models. Non-financial collateral, such as real estate, is valued based on data provided by third parties such as mortgage brokers, housing price indices, audited financial statements, and other independent sources.

(ii) Business model assessment

For financial assets that are held for the purpose of collecting contractual cash flows, the Bank has assessed whether the contractual terms of these assets are solely payments of principal and interest on the principal amount outstanding.

Allowances for credit losses

Judgement is required by management in the estimation of the amount and timing of future cash flows when determining an impairment loss for loans and advances. In estimating these cash flows, the Bank makes judgements about the borrower's financial situation and the net realizable value of collateral. These estimates are based on assumptions about several factors and actual results may differ, resulting in future changes to the impairment allowance.

A collective assessment of impairment takes into account data from the loan portfolio (such as credit quality, levels of arrears, credit utilisation, loan to collateral ratios etc.), and concentrations of risk and economic data (including levels of unemployment, real estate prices indices, country risk and the performance of different individual Banks).

Impairment of financial assets

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

The Bank's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- The Bank's internal credit grading model, which assigns PDs to the individual grades
- The Bank's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a Life time Expected credit losses (LTECL) basis and the qualitative assessment
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs
- Determination of associations between macroeconomic scenarios and economic inputs, such as unemployment levels and collateral values, and the effect on PDs, EADs and LGDs
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models

(iii) Estimating the incremental borrowing rate

The Bank cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ('IBR') to measure lease liabilities. The IBR is the rate of interest that the Bank would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Bank 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Bank estimates the IBR using observable inputs (such as market interest rates for similar transactions) and is required to make certain entity-specific adjustments or to reflect the terms and conditions of the lease.

3.3 JUDGMENTS

Judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. In the process of applying the Bank's accounting policies, management

has made the following judgements, which have significant effect on the amount recognized in the financial statements:

(i) Going Concern

The Bank's management has made an assessment of its ability to continue as a going concern and is satisfied that it has the resources to continue in the business for the next 12 months from issuance of this report. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Bank's ability to continue as a going concern. Therefore, the separate financial statements continue to be prepared on the going concern basis.

(ii) Determination of the lease term for lease contracts with renewal and termination options (Bank as a lessee)

The Bank determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Bank has several lease contracts that include extension and termination options. The Bank applies judgement in evaluating whether it is reasonably certain if to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive to exercise either the renewal or termination. After the commencement date, the Bank reassesses the lease term if there is a significant event or change in circumstances that is within its control that affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customization of the leased asset).

(iii) Collateral

The Bank obtains collateral where appropriate, from customers to manage their credit risk exposure to the customers. The collateral normally takes the form of a lien over the customer's assets and gives the Bank a claim on these assets for customers in the event that the customer defaults. The Bank may also use other credit instruments, such as derivative contracts in order to reduce their credit risk.

Collateral received in the form of securities and other non-cash assets is not recorded on the statement of financial position. Collateral received in the form of

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cash is recorded on the statement of financial position with a corresponding liability.

4 New Standards and Interpretations

4.1 NEW STANDARDS AND INTERPRETATION ISSUED BUT NOT YET EFFECTIVE

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates titled Lack of Exchangeability

The amendments specify how to assess whether a currency is exchangeable, and how to determine the exchange rate when it is not.

The amendments state that a currency is exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations.

An entity assesses whether a currency is exchangeable into another currency at a measurement date and for a specified purpose. If an entity is able to obtain no more than an insignificant amount of the other currency at the measurement date for the specified purpose, the currency is not exchangeable into the other currency.

The assessment of whether a currency is exchangeable into another currency depends on an entity's ability to obtain the other currency and not on its intention or decision to do so.

When a currency is not exchangeable into another currency at a measurement date, an entity is required to estimate the spot exchange rate at that date. An entity's objective in estimating the spot exchange rate is to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions.

The amendments do not specify how an entity estimates the spot exchange rate to meet that objective. An entity can use an observable exchange rate without adjustment or another estimation technique. Examples of an observable exchange rate include:

- a spot exchange rate for a purpose other than that for which an entity assesses exchangeability

- the first exchange rate at which an entity is able to obtain the other currency for the specified purpose after exchangeability of the currency is restored (first subsequent exchange rate).

An entity using another estimation technique may use any observable exchange rate—including rates from exchange transactions in markets or exchange mechanisms that do not create enforceable rights and obligations—and adjust that rate, as necessary, to meet the objective as set out above.

When an entity estimates a spot exchange rate because a currency is not exchangeable into another currency, the entity is required to disclose information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments add a new appendix as an integral part of IAS 21. The appendix includes application guidance on the requirements introduced by the amendments. The amendments also add new Illustrative Examples accompanying IAS 21, which illustrate how an entity might apply some of the requirements in hypothetical situations based on the limited facts presented.

In addition, the IASB made consequential amendments to IFRS 1 to align with and refer to the revised IAS 21 for assessing exchangeability.

The amendments are effective for annual reporting periods beginning on or after 1 January 2025, with earlier application permitted. An entity is not permitted to apply the amendments retrospectively. Instead, an entity is required to apply the specific transition provisions included in the amendments.

The directors of the bank do not anticipate that the application of these amendments will have any material impact on the bank's financial statements in future periods.

(i) IFRS 18 Presentation and Disclosures in Financial Statements

IFRS 18 replaces IAS 1, carrying forward many of the requirements in IAS 1 unchanged and complementing them with new requirements. In addition, some IAS 1 paragraphs have been moved to IAS 8 and IFRS 7. Furthermore, the IASB has made minor amendments



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

to IAS 7 and IAS 33 Earnings per Share.

IFRS 18 introduces new requirements to:

- present specified categories and defined subtotals in the statement of profit or loss
- provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements
- improve aggregation and disaggregation.

An entity is required to apply IFRS 18 for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The amendments to IAS 7 and IAS 33, as well as the revised IAS 8 and IFRS 7, become effective when an entity applies IFRS 18. IFRS 18 requires retrospective application with specific transition provisions.

The directors of the bank do not anticipate that the application of these amendments will have any material impact on the bank's financial statements in future periods.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

IFRS 19 permits an eligible subsidiary to provide reduced disclosures when applying IFRS Accounting Standards in its financial statements.

A subsidiary is eligible for the reduced disclosures if it does not have public accountability and its ultimate or any intermediate parent produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

IFRS 19 is optional for subsidiaries that are eligible and sets out the disclosure requirements for subsidiaries that elect to apply it.

An entity is only permitted to apply IFRS 19 if, at the end of the reporting period:

- it is a subsidiary (this includes an intermediate parent)
- it does not have public accountability, and
- its ultimate or any intermediate parent produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

A subsidiary has public accountability if:

- its debt or equity instruments are traded in a public market or it is in the process of issuing such instruments for trading in a public market (a domestic or foreign stock exchange or an over-the counter market, including local and regional markets), or
- it holds assets in a fiduciary capacity for a broad group of outsiders as one of its primary businesses (for example, banks, credit unions, insurance entities, securities brokers/dealers, mutual funds and investment banks often meet this second criterion).

Eligible entities can apply IFRS 19 in their consolidated, separate or individual financial statements. An eligible intermediate parent that does not apply IFRS 19 in its consolidated financial statement may do so in its separate financial statements.

The new standard is effective for reporting periods beginning on or after 1 January 2027 with earlier application permitted. If an entity elects to apply IFRS 19 for a reporting period earlier than the reporting period in which it first applies IFRS 18, it is required to apply a modified set of disclosure requirements set out in an appendix to IFRS 19. If an entity elects to apply IFRS 19 for an annual reporting period before it applied the amendments to IAS 21, it is not required to apply the disclosure requirements in IFRS 19 with regard to Lack of Exchangeability.

The directors of the bank do not anticipate that the application of these amendments will have any material impact on the bank's financial statements in future periods.

5 Segment Information

Segment information is presented in respect of the Bank's strategic business units which represents the segment reporting format and is based on the Bank's management and reporting structure.

(a) All non-current assets are located in the country of domicile and revenues earned are within same country.

(b) Reportable segment

The Bank has four reportable segments; Lagos Southwest, South South, Abuja, Specialized Business Group which are the Bank's strategic business units. The strategic business units offer different products and

NOTES TO THE FINANCIAL STATEMENTS

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services, and are managed separately based on the Bank's management and internal reporting structure. For each of the strategic business units, the Executive Management Committee reviews internal management reports on a monthly basis.

The following summary describes the operations in each of the Bank's reportable segments:

- Specialized Banking Group provides banking solutions to multinational companies and other financial institutions;
- Lagos Southwest, South-South and Abuja Directorates provides banking solutions to individuals, small businesses, partnerships and commercial entities among others.

All transactions between business segments are conducted on an arm's length basis, internal charges and transfer pricing adjustments are reflected in the performance of each business.

The Executive Management Committee monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profits or losses and is measured consistently with operating profits or losses in the financial statements.

No revenue from transactions with a single external customer or counterparty amounted to 10% or more of the Bank's total revenue during the year.

The activity of the segments are centrally financed, thus the cash flow for the Bank is presented in the Statement of cash flows.

31 December 2024	Lagos				
<i>In thousands of Naira</i>	South West	South-South	Abuja	SBG	Total
Interest income	16,643,602	79,361,690	8,294,514	2,249,007	106,548,813
Interest expense	(6,244,585)	(7,378,856)	(7,848,311)	(859,299)	(22,331,051)
Net interest margin	10,399,017	71,982,835	446,202	1,389,708	84,217,762
Net fees and commission income	1,627,748	14,695,852	5,127,195	248,653	21,699,448
Other Operating Income	267,024	2,410,787	841,093	40,790	3,559,694
Net impairment loss on financial instruments	(808,191)	(5,218,605)	(129,564)	(157,159)	(6,313,519)
Depreciation and Amortization	(462,264)	(2,984,904)	(74,107)	(89,891)	(3,611,166)
Operating Expenses	(9,076,335)	(28,865,181)	(3,312,524)	(901,382)	(42,155,422)
Segment profit/(loss)	1,947,000	52,020,783	2,898,295	530,719	57,396,797
Total Assets	132,330,290	861,191,010	17,856,866	22,375,244	1,033,753,410
Total Liabilities	169,356,778	595,494,142	139,009,568	58,551,384	962,411,873



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31 December 2023 <i>In thousands of Naira</i>	Lagos		Abuja	SBG	Total
	South West	South-South			
Interest income	4,965,699	20,875,326	3,300,691	1,149,239	30,290,955
Interest expense	(1,537,979)	(2,458,576)	(1,220,374)	(240,799)	(5,457,728)
Net interest margin	3,427,720	18,416,750	2,080,318	908,440	24,833,227
Net fees and commission income	2,573,889	8,616,217	3,007,803	2,257,240	16,455,149
Other Operating Income	70,399	713,036	6,485	1,415	791,336
Net impairment loss on financial instruments	(587,592)	(4,472,038)	(2,528)	(23,706)	(5,085,863)
Depreciation and Amortization	(994,353)	(1,395,583)	(383,785)	(348,896)	(3,122,618)
Operating Expenses	(3,043,483)	(11,532,018)	(2,948,681)	(2,198,370)	(19,722,553)
Segment profit/(loss)	1,446,580	10,346,363	1,759,611	596,124	14,148,678
Total Assets	35,939,329	273,526,753	154,592	1,449,920	311,070,594
Total Liabilities	67,514,096	145,721,545	52,962,446	8,644,205	274,842,292

6 Financial Risk Management

(a) Introduction and overview

PremiumTrust Bank has a robust risk culture, embraces the best practice Enterprise wide Risk Management and adopts an integrated approach by bringing all risks together under a limited number of oversight functions. The risk management framework is designed to align people, strategy, policies, processes, technology and business intelligence in order to evaluate, manage and optimize the opportunities and threats it may face in maximising sustainable stakeholders' value within its defined risk appetite.

The Bank has recognised the following risk categories to include Credit, Operational, Market and Liquidity Risks, Capital Risk Management, Legal and Compliance Risk, Information and Cyber Security Risk, Reputational Risk, Environmental and Social Risk. Risk identification in these areas is carried out by the relevant risk owners, in collaboration with the Enterprise Risk Management.

Risk management framework

The Bank's risk management framework consists of the governance structure, policies, strategy, processes and techniques for the management of risks faced by the Bank. The risk governance structure is modelled according to the three lines of defense. The Board and its committees oversee the risk management framework and approve the corresponding risk management policies and strategies. Senior management provides oversight across the Bank to ensure that all material

risks are properly identified, measured, mitigated and monitored in order to minimize the impact of adverse events. The Chief Risk Officer (CRO) coordinates the process of monitoring and reporting identified risks. The Risk Management division is complemented by Finance Department and Compliance Department of the Bank in the management of strategic, regulatory compliance and reputational risks. Internal Audit department provides assurance to Management and Board that instituted controls are effective in mitigating identified and emerging risks.

To achieve its risk management objectives, the Bank has a risk management framework that comprises the following elements:

- Risk management objectives and philosophy
- Governance structure
- Roles and responsibilities for managing risks
- Risk management process

Three Lines of Defense

The philosophy of three lines defense have been adopted in the Bank for proactive and efficient identification and management of risks inherent in the Bank's activities, processes, system, products and external events as follows:

First line of defence - Strategic Business Functions

This consists of business units and line functions with primary responsibilities for risk management. The first line of defense includes business owners who execute

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transactions in the Bank with the following risk management responsibilities;

- Adhering to and embedding frameworks, policies and procedures set.
- Identify emerging risks at the transaction/business unit level and conduct material risk assessments, at least annually;
- Promote a strong risk culture and sustainable risk return decision-making; and
- Implement controls to reduce the likelihood and impact of risks.

Second line of defense – Independent Risk and Control Oversight

This consists of functions responsible for providing independent oversight over key risks like credit, market, liquidity and operational risk and facilitating the implementation of risk controls to ensure that the business and process owners operate within the defined risk appetite and align with approved policies and procedures. They formulate risk management policies, processes and controls, provide guidance and coordination of activities of all other monitoring functions within the Bank and identify enterprise trends, synergies and opportunities for change.

Third line of defense – Independent Assurance

This consists of all functions with primary responsibilities for evaluating and providing independent assurance on the adequacy, appropriateness and effectiveness of the risk management process and policy. This function is performed by internal and external audit.

Risk management philosophy

The Bank's Risk Management Philosophy describes its attitude to risk taking and it considers sound risk management practice to be the foundation of a strong and long lasting financial institution.

- A. Risk management is a shared responsibility. Therefore, the Bank aims to build a shared perspective on risks that is grounded in consensus.
- B. Risk Management is governed by well-defined policies which are clearly communicated across the Bank.
- C. The Bank's decisions will be based on careful analysis of its operating environment as well as the implications of the identified risks to the achievement of its strategic goals.

- D. The Bank will always comply with all government regulations and continually espouse global best practice.
- E. The Bank will only assume risks that fall within its risk appetite with appropriate returns.

(b) Risk Management Structure

The responsibility for management of risk exposure of the Bank rests with the Board, this responsibility is delegated to various committees of the Board.

The Board Risk Management Committee (BRMC) oversee the establishment of a comprehensive organization-wide risk management framework, as well as the policies, processes, and controls to ensure effective mitigation of risk in the Bank.

The Board Credit Committee (BCC) acts on behalf of the Board of Directors on all credit matters. It provides strategic direction to the Board for the development and achievement of the Bank's credit and lending objectives.

The Management Risk Committee (MRC) is responsible for planning and management of the Bank's overall risk profile; including the determination of the Bank's risk philosophy, appetite, limits and policies.

The Board Audit Committee (BAC) oversee the Bank's accounting and financial reporting functions, review and approve the annual audit plan, and ensures that an internal audit function is established to provide reasonable assurance to the board on the effectiveness of the Bank's system of internal controls.

The Asset and Liability Committee (ALCO) establish, review, and monitor the profitability plan of the Bank's Asset and Liability Management and recommend the same for Board approval as well as approve the Bank's market risk management strategies and policies and procedures for identifying, measuring, managing and reporting of market risk and liquidity risk.

The Risk Management Committee (RMC) is responsible for providing central oversight of risk management across the Bank to ensure that the spectrum of risks within the purview of the committee are properly identified, measured, monitored, and controlled in order to minimize adverse outcomes.



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The Management Credit Committee (MCC) is vested with the responsibility of credit policy articulation and credit approval that falls within the mandated approval limit. It reviews and recommends credit policy direction to the BCC.

The Executive Committee (EXCO) responsible for proposing to the Board of Directors policies, objectives, and corporate strategies of the bank. It drives and reviews the financial performance of the bank as well as ensures efficient deployment and management of the bank's resources.

The New Product Committee(NPC) responsible for establishing guidelines on the requirements applicable for Product Design Document in respect of any new financial product sought to be introduced. Also, ensures that policies and procedures for managing product risk are formally endorsed by the Board and documented.

(c) Risk measurement and reporting systems

Quantitative and qualitative assessment of credit risks is carried out through a rigorous internal ratings system. The Bank also carries out scenario analysis as stated in the Bank's credit policy guide and stress testing to identify potential exposure under stressed market situations.

Monitoring and controlling of risk is done by ensuring that limits established are strictly complied with and that such limit reflects both the quantitative and qualitative risk appetite of the Bank. Particular emphasis is placed on the Risk Acceptance Criteria (RAC). Furthermore, the Bank's policy is to measure and monitor the overall risk bearing capacity in relation to the aggregate risk exposure across all risk types and activities.

Risk Information compiled from all business activities of the Bank is analyzed and processed on a timely basis for informed management decision. The Risk Management Committee (MRC) and the Board Risk Management Committee (BRMC) which constitute the supervisory body are updated on the risk profile of the Bank through regular risk reports.

(d) Risk Mitigation

The Bank's approach to controlling various risks begins with optimizing the diversification of its exposures. PremiumTrust uses a variety of techniques to manage the credit risk arising from its lending activities.

These techniques are set out in the Bank's internal policies and procedures. They are mainly reflected in the application of various exposure limits: credit concentration limits by counterparty and credit concentration limits by industry, country, region and type of financial instrument.

Enforceable legal documentation establishes Premium Trust Bank's direct, irrevocable and unconditional recourse to any collateral, security or other credit enhancements.

A key mitigation step employed by the Bank in its credit risk management process includes the use of collateral securities to secure its loans and advances as alternative sources of repayment during adverse conditions.

Collateral analysis includes a good description of the collateral, its value, how the value was arrived at, and when the valuation was made. It is usually necessary to review the potential adverse changes in the value of collateral security for the foreseeable future.

Collateral securities are usually valued and inspected prior to disbursement and on a regular basis thereafter until full repayment of the exposure. We conduct a regular review of all collateral documentation in respect of all credits in the Bank and specific gaps in the collateral documentation addressed immediately.

(e) Risk Appetite

The Banks recognises that there are inherent risks associated with the pursuit of growth opportunities in achieving its strategic objectives. While the risk philosophy articulates how inherent risks are considered when making decisions, the Board and Management of the Bank determine the risks that are acceptable based on its capabilities in terms of people, capital and technology.

The Bank's risk appetite describes the quantum of risk that the Bank would assume in pursuit of its business objectives at any point in time. The Bank uses this risk appetite definition in aligning its overall corporate strategy, its capital allocation and risks.

The Identified risk factors include - Capital Adequacy, Return on Assets, Return on Equity, Cost-to-Income, Asset quality (Non-Performing Loan) and Coverage, Liquidity and Coverage Ratio, Obligor and Sector Concentration, Staff Attrition, Operational Risk Loss.

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FOR THE YEAR ENDED 31 DECEMBER 2024

The Risk Appetite Statement expresses the degree of risk acceptable to the Bank in achieving its strategic plan. The Bank shall consider the following in defining the Risk Appetite Statement:

- Strategic Objectives
- Management perspective
- Economic conditions
- Stakeholders expectations
- Target benchmarking
- Regulatory threshold

(f) Concentration Risk

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Bank's performance to developments affecting a particular industry or geographical location.

In order to avoid concentration risk, credit concentration limits are set and monitored along industries and sectors, geography, collaterals and products. The ultimate objective of managing credit portfolio concentration risk is to ensure proper diversification of the risk assets portfolio. Concentration limits are also in place to manage Investment Portfolio and customer deposit concentration in the management of liquidity risk.

(g) Credit Risk Management

The Bank's credit risk management activities are based on certain fundamental principles.

The effectiveness of risk management process throughout the Bank is based on a formal governance structure with systemic reporting processes within a well-defined control environment.

The Bank's risk policy allows its personnel take initiatives and responsibility towards proactive identification of risks in products and services delivered to the market.

The Bank's risk assets are managed to help provide the liquidity to meet deposit withdrawals, cover all expenses, and still make sufficient profit.

Credit risks are examined for all credit-related transactions including investments and trading transactions. Credit risks are examined and managed for unfunded loan commitments in addition to funded loans and leases.

(h) Risk Management Architecture

Risks are managed such that the risk profile and the Bank's reputation are aligned with the Bank's objective of conservative risk appetite, balanced against a desire for reasonable returns.

(i) Organization Structure

PremiumTrust Bank as a relatively new financial institution currently has its business activities structured along regional/geographic lines with presence in the following regions:

- Lagos
- South-South
- South-West
- Abuja
- Specialized Banking

The Bank's strategic focus is to build a customer centric, innovative and technology driven financial institution.

The Bank's product include: savings accounts, current accounts, fixed deposit accounts, e-banking, trade finance, project finance, Term Loans, Overdrafts, Contract Finance Facilities, Invoice Discounting, Finance Lease.

In addition to the business segments, the Bank is also supported by the activities of the following Strategic Resource Functions:

- Enterprise Risk Management
- Treasury
- Internal Audit
- Strategy and Innovation
- Brand Marketing & Communication
- Finance and Performance Management
- People Management Group
- International Trade Services
- Information Technology
- Customer Experience Management
- Legal and Company Secretariat
- Compliance
- Central Operations



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

(j) Methodology for Risk Rating

The Bank has a credit rating and scoring system developed for rating exposures. They were developed in line with international best practice. Exposures are created by Corporate, Commercial and Retail business segments. The credit risk rating system assigns scores using various risk parameters based on the information provided by the borrower.

The rating is derived by adding the scores from all the risk parameters and the outcome of the rating is important for approval / rejection of the loan request.

Retail/SME Loans:

Retail loans are governed by standard credit product programs and categorized as Consumer & SME loans. Consumer loans are availed to individuals while SME loans are granted to unstructured businesses. Unstructured businesses are small and medium scale businesses that rarely keep proper accounting records. Retail and SME scorecards are used for assessing Consumer and SME loans respectively.

Commercial and Corporate Loans:

Commercial and Corporate Customers are rated using risk rating models. Depending on the underlying business transaction, Specialized Lending Models are also used for assessing specialized loans to Corporate and Commercial Customers. The rating methodology is based on both quantitative and qualitative factors. Quantitative factors are mainly the financial ratios, account conduct among others. Qualitative factors are based on the following risk categories:

- a. Business Risk
- b. Industry Risk
- c. Management Risk

Credit Scoring System:

The Bank's credit scoring system assigns value to various factors. They are added and averaged to determine a credit score for applications. The scoring system either recommends for approval or decline, or refers the application for further analysis.

The risk rating methodology is based on the following fundamental analyses (financial analysis and non-financial analysis):

Structured Businesses:

The factors to be considered are:

Quantitative factors are basically the financial ratios which include:

- a. Leverage ratios
- b. Liquidity ratios
- c. Profitability ratios
- d. Interest Coverage ratios
- e. Activity ratio

Qualitative factors. These include:

- a. **Industry**
 - i. Size of the business
 - ii. Industry growth
 - iii. Market Competition
 - iv. Entry/Exit barriers
- b. **Management:**
 - i. Experience of the management team
 - ii. Succession Planning
 - iii. Organizational structure
- c. **Security:**
 - i. Collateral type
 - ii. Collateral coverage
 - iii. Guarantee i.e. the worth of Personal Guarantee/Corporate Guarantee pledged as support.
- d. **Relationship with the Bank:**
 - i. Account turnover (efficiency ratio)
 - ii. Account conduct
 - iii. Compliance with covenants/conditions
 - iv. Personal deposits with the bank.

Unstructured Businesses:

These are customers that rarely keep proper accounting records, hence the maximum limit that can be availed to them is restricted to N20m.

The factors to be considered are:

Quantitative factors. These include:

- i) **Contract related transactions**
 - a) Net Profit Margin
 - b) Counterparty - Nature/Financial capacity of the Principals
- ii) **Other Facilities**
 - a) Account turnover
 - b) Repayment history

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Qualitative factors. These include:

Management:

- i. Experience/Technical competence with evidence
- ii. Succession Planning

I. Industry

- ii. Industry growth
- iii. Share of the market
- iv. Regulations: Whether the industry is regulated or not
- v. Entry/Exit

In general, the following are considered in assessing facility request

(i) Character

Fundamental to every credit decision is the honesty and integrity of the individuals to whom the Bank lends directly or who manage the enterprises to which the Bank lends. Character is the single most important factor in the credit decision.

(ii) Capacity

The acceptance of a credit depends upon an objective evaluation of the customer's ability to repay the borrowed funds. To establish this, profitability and liquidity ratios are used as part of the assessment.

(iii) Capital

The borrower must provide capital for anticipated adversity. The index to determine capital should be leverage for overdraft, lease and term loan facilities.

(iv) Cash Collateralised Facilities

Cash collateralised facilities are not to be subjected to this scoring method, unless the character of the customer is questionable, in which case, the application is rejected. For cash collateralised facilities, the key issue is safety margin. Local cash deposits shall provide 110% coverage for the Bank's exposure. Foreign currency deposits pledged shall provide minimum 120% coverage for the Bank's exposure.

(v) Pricing

The pricing of facilities is done to reflect the inherent risks for accepting the exposure by the Bank. The average score computed often determines the minimum level of interest chargeable. This interest rate determined would be a guide. For the purposes of clarity, a prime rate is determined by Asset and Liability

Management Department and other rates are either above or below it.

(vi) Collateral/Security

Collateral, often referred to as credit risk mitigant, gives additional assurance to recovering loans granted to customers. The pledged collateral is documented and continuously reviewed as to its value and marketability.

Collaterals/securities are reviewed and scored based on the following parameters:

- Whether secured or not secured
- If secured, what type of security
- Perfectible legal mortgage
- Equitable mortgage
- Chattel mortgages
- Location of security/collateral
- Loan to value ratio of collateral offered
- Marketability of security/collateral
- Whether collateral is a specialised asset or general purpose - type asset.
- Depreciating or appreciating value over time.

Enterprise risk review

The Bank's activities expose it to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. Risks are an inevitable consequence of being in business.

The Bank's aim is therefore to achieve an appropriate balance between risk and return and minimise potential adverse effects on the Bank's financial performance. The Bank's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Bank regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practice.

Risk management is carried out by Enterprise Risk Management(ERM) within the policies approved by the Board of Directors. The ERM of the Bank identifies, evaluates and manages respective aspects of financial risks in close co-operation with the Bank's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as liquidity risk, foreign exchange risk, interest rate risk, credit risk, market risk and operational risk. In addition, the Audit Division is responsible



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for the independent review of risk management and the control environment. The most important types of risk are Credit risk, Liquidity risk, Market risk and Operational risk. Market risk includes currency risk, interest rate and other price risk.

6.1 CREDIT RISK

Credit exposures arise principally in lending activities carried out through loans and advances, debt securities and other instruments in the Bank's risk asset portfolio. Credit risk is also inherent in off-balance sheet financial instruments.

The Bank manages credit risks, which has been defined as the potential for a counterparty to default on financial obligations leading to financial losses. Credit risk is the principal source of risk to the Bank arising from loans and advances extended to customers under the corporate, commercial, and retail business lines.

There is also credit risk in off-balance sheet financial instruments. Credit risk is managed by the Enterprise Risk Management Bank (ERM). They report to the MD/Chief Executive Officer who in turn reports to the Board of Directors.

Main Characteristics and Elements of Credit Risk Management;

(a) Credit Portfolio Planning

In line with the Bank's planning cycle, credit portfolio plans are developed and approved at the overall Bank and individual business unit level.

Credit portfolio planning entails definition and agreement of target risk asset threshold for different sectors, definition of target markets and criteria for risk acceptance at the corporate level and across each credit creating business unit in the Bank.

(b) Exposure Development and Creation

Exposure Development and creation incorporates the procedures for preliminary screening of facility requests, detailed credit risk analysis and risk rating, risk triggered review and approval of facilities, and controlled credit avilment of approved facilities, processes and guidelines for developing credit opportunities and creating quality risk assets in line with the Bank's risk management policies.

(c) Exposure Management

To minimize the risk and occurrence of loss as a result of decline in quality and non-performance of risk assets, clear guidelines for management of the risk asset portfolio and individual risk exposures are defined. Exposure management entails collateral management, facility performance monitoring, quality reviews, risk asset classification and reporting.

(d) Delinquency Management/Loan Workout

In the undesired event of decline in risk asset quality, prompt identification and management of delinquent loans significantly reduces credit risk losses in the Bank. The delinquency management/loan workout module of the integrated risk management framework outlines the approach for identification and management of declining credit quality. This also covers loan workout where all activities are geared towards resuscitating non-performing loans, and the first stage in the process of recognizing possible credit loss.

(e) Credit Recovery

Deliberate actions will be taken to proactively minimize the Bank's loss on non-performing loans. Directions are provided in the Credit Policy guide for winding down the Bank's exposure, waivers, write-offs, etc. In the event of recovery, process for recognizing income and previously written-off amounts is also defined.

The Bank's Risk Management Objectives and Policies

The Bank's risk management objectives and policies for credit risk include the following:

1. To ensure optimal earnings through high quality risk portfolio.
2. Clear articulation of criteria for decision making.
3. Description of specific activities and tasks with respect to the creation and management of risk assets.
4. Description of specific activities and tasks in respect of the creation and management of risk assets.
5. Definition of non-performing loans as those with interest and principal repayment outstanding for 90 days or more.
6. Other criteria are also defined for determining impaired loans. These include:
 - Borrower's business recording consistent losses which might impair the cash flow, and loan repayment.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

- Borrower's networth being grossly eroded due to some macroeconomic events.
- Lack of communication from the borrower.
- Security offered has deteriorated in value and full payment cannot be guaranteed from normal operating sources.
- Where the Bank consents to loan restructuring, resulting in diminished financial obligation.
- Demonstrated material forgiveness of debt or postponement of scheduled payment.

Categorization of collaterals to determine the acceptable security for the mitigation of impairment impact on the Income Statement.

(f) Risk Management Architecture

Risks are managed such that the risk profile and the Bank's reputation are aligned with the Bank's objective of conservative risk appetite, balanced against a desire for reasonable returns.

(ii) Credit risk measurement

Before a sound and prudent credit decision can be made, the credit risk of the borrower or counterparty must be accurately assessed. Each application is analyzed and assigned one of 19 (nineteen) grades using a credit rating system developed by the Bank for all exposures to credit risk. Each grade corresponds to a borrower's or counterparty's probability of default.

The Bank's credit risk management activities are based on certain fundamental principles.

The effectiveness of risk management process throughout the Bank is based on a simple formal governance structure with regular reporting processes within a well-defined control environment.

The Bank's risk policy allows its personnel take initiatives and responsibility to proactively identify risks in delivering products and services to the market in a value-added manner.

The Bank's risk assets are managed to help provide the liquidity to meet deposit withdrawals, cover all expenses, and still earn sufficient profit to make returns which are competitive with other investments.

Credit risks are examined for all credit-related transactions including investments and trading transactions, in addition to loans and leases. Credit risks are examined and managed for unfunded loan commitments in addition to funded loans and leases.

(iii) Credit granting process

Credit granting decisions are based on the results of the risk assessment. In addition, to the client's solvency, credit granting decisions are also influenced by factors such as available collateral, transaction compliance with policies and standards, procedures and the Bank's overall risk-adjusted returns objective. Each credit granting decision is made by authorities within the risk management teams and management who are independent of the business units and are at a reporting level commensurate with the size of the proposed credit transaction and the associated risk.

(a) Loans and advances

In measuring credit risk of loans and advances to customers and to banks at a counterparty level, the Bank reflects the following components:

- the character and capacity of the client or counterparty to pay down on its contractual obligations;
- current exposures to the counterparty and its likely future development;
- credit history of the counterparty; and
- the likely recovery ratio in case of default obligations -using value of collateral and other ways out.

The Bank's rating scale, which is shown below, reflects the range of scores defined for each rating class. This means that, in principle, exposures migrate between classes as the assessment of their credit risk changes.

The risk rating scale and the external rating equivalent is detailed below:

Risk Rating	Bucket Rating	Remarks
AAA	1	Excellent
AA+ TO AA-	2	Good Credit Risk
A+ TO A-	3	Above Average
BBB+ TO BBB-	4	Average Credit Risk
BB+ TO BB-	5	Below Average
B	6	High Credit Risk
C TO CCC	7	Very High Credit Risk
D - S	8	Substandard
D - D	9	Doubtful
D - L	10	Lost



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(b) Debt Securities and Other Bills

For debt securities and other bills, external ratings such as Augusto rating or their equivalents are used by Treasury Department primarily to manage their liquidity risk exposures.

(iv) Credit Risk Control & Mitigation policy

The Bank manages concentration risks to counterparties, Banks, sectors and countries. The level of credit risk undertaken is controlled by setting limits on exposures to individuals, Banks, geographical and sectoral segments and facilitate continuous monitoring of adherence to set limits. The limits set are reviewed periodically and approved by the Board of Directors.

The Bank structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to a single borrower, or Banks of borrowers (single obligor limits), and to geographical and sectoral segments. Such risks are monitored on a revolving basis. Limits on the level of credit risk by industry sector and by geography are reviewed and approved quarterly by the Board of Directors.

The exposure to any borrower including banks and brokers is further restricted by sub-limits covering on- and off balance sheet exposures, and daily delivery risk limits in relation to trading items such as forward foreign exchange contracts. Actual exposures against limits are monitored daily.

The Bank also sets internal credit approval limits for various levels in the credit process and is shown in the table below:

Authority level	Approval limit (Naira)
Full Board	Above 1,500,000,000
Board, Credit Committee	1,500,000,000
Management Credit Committee	1,000,000,000
Managing Director	100,000,000

Approval limits are set by the Board of Directors and reviewed from time to time as the circumstances demand. Some other specific control and mitigation measures are outlined below:

(a) Collateral Acceptability

The guiding principles behind collateral acceptability are adequacy and marketability. The Bank implements guidelines on the acceptability of specific classes of

collateral or credit risk mitigation. The principal collateral types for loans and advances are:

- Mortgages over residential properties;
- Charges over business assets such as premises, inventory and accounts receivable;
- Charges over financial instruments such as debt securities and equities.

Long-term finance and lending to corporate entities as well as individuals are generally secured. However, in order to minimize losses, the Bank will seek additional collateral from the counterparty when there are indicators of devaluation in existing collateral value.

Collateral held as security for financial assets other than loans and advances is determined by the nature of the instrument. Debt securities, treasury and other eligible bills are generally unsecured, with the exception of asset-backed securities and similar instruments, which are secured by portfolios of financial instruments.

The following table shows the maximum exposure to credit risk by class of financial asset. It also shows the total fair value of collateral, any surplus collateral (the extent to which the fair value of collateral held is greater than the exposure to which it relates), and the net exposure to credit risk.

(b) Master Netting Arrangements

Master netting arrangements are entered into to manage its exposure to credit losses, where applicable, with counterparties with which it undertakes a significant volume of transactions. The right to set off is triggered at default.

By so doing, the credit risk associated with favourable contracts is reduced by a master netting arrangement to the extent that if a default occurs, all amounts with the counterparty are terminated and settled on a net basis.

In thousands of Naira	31 Dec 2024	31 Dec 2023
Financial assets:		
Loans and advances	2,574,060	1,568,981
Financial liabilities:		
Collateralised deposits	2,912,005	2,200,900

These amounts are currently not presented net on the statement of financial position due to the performing status of the facilities; If the items were to be netted,

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FOR THE YEAR ENDED 31 DECEMBER 2024

the following net asset will be presented on the statement of financial position:

<i>In thousands of Naira</i>	31 Dec 2024	31 Dec 2023
Net financial assets/ liabilities:		
Collateralised deposits	337,945	631,919

(c) Credit-related Commitments

The primary purpose of these instruments is to create other avenues for lending. Guarantees and standby letters of credit carry the same credit risk as loans. Documentary and commercial letters of credit - which are written undertakings by the Bank on behalf of a customer authorizing a third party to draw drafts on the Bank up to a stipulated amount under specific terms and conditions - are collateralized by the underlying shipments of goods to which they relate and therefore, carry less risk than a direct loan.

(d) Credit Concentration

The Bank monitors concentrations of credit risk by sector and by geographic location. An analysis of concentrations of credit risk at the reporting date is shown below:

Breakdown of Exposures by Geographic Areas

S/N	Region	31 Dec 2024	31 Dec 2023
<i>In thousands of Naira</i>			
1	Abuja	1,679,371	87,570
2	Lagos	11,207,971	2,978,187
3	North	1,028,863	-
4	South South	152,016,636	157,506,318
5	South West	16,819,642	20,578,493
Grand Total		182,752,483	181,150,567

Maximum exposure to credit risk before collateral held or other credit enhancements

The Bank's maximum exposure to credit risk as at 31 December 2024 is represented by the net carrying amounts of the financial assets set out below:

Type of collateral or credit enhancement

31 December 2024	Fair value of collateral and credit enhancements held						
	Maximum exposure to credit risk	Cash	Secured against Real Estate	Debenture	Total collaterals	Net exposure	Associated ECLs
<i>In thousands of Naira</i>							
Financial assets							
Cash and balances with Central Bank of Nigeria	187,467,154	-	-	-	-	187,467,154	-
Due from banks	117,573,256	-	-	-	-	117,573,256	-
Loans and advances to customers							
- Term Loans	181,142,164	974,005	27,982,290	231,363,079	260,319,373	-	9,463,918
- Ovedrafts	1,610,319	1,938,000	575,934	1,522,592	4,036,526	-	22,983
Debt instruments at amortised cost	6,390,008	-	-	-	-	6,390,008	8,943
Total financial assets at amortised cost	494,182,901	2,912,005	28,558,224	232,885,672	264,355,900	311,430,418	9,495,845
Pledged assets	90,794,251	-	-	-	-	90,794,251	-
Debt instruments at fair value through profit or loss	5,616,549	-	-	-	-	5,616,549	-
Total debt instruments at fair value through profit or loss	96,410,800	-	-	-	-	96,410,800	-
Pledged assets	382,207,256	-	-	-	-	382,207,256	366,482
Debt instruments at fair value through other comprehensive income	122,311,189	-	-	-	-	122,311,189	161,278
Total debt instruments at fair value through other comprehensive income	504,518,445	-	-	-	-	504,518,445	527,760
Financial guarantees	40,711,002	11,038	10,305,327	-	10,316,365	30,394,637	1,065,357
Letters of credit for customers	60,719,785	33,894,203	-	-	33,894,203	26,825,582	263,289
	1,100,132,133	36,817,246	38,863,550	232,885,672	308,566,468	873,169,082	11,352,250



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31 December 2023	Fair value of collateral and credit enhancements held							
<i>In thousands of Naira</i>	Maximum exposure to credit risk	Cash	Secured against Real Estate	Debenture	Total collaterals	Net exposure	Associated ECLs	
Financial assets								
Cash and balances with Central Bank of Nigeria	28,414,841	-	-	-	-	28,414,841	-	-
Due from banks	31,736,918	-	-	-	-	31,736,918	-	-
Loans and advances to customers								
- Term Loans	175,508,187	513,400	22,007,147	204,786,773	227,307,320	-	4,999,534	
- Ovedrafts	5,642,380	1,687,500	191,807	-	1,879,307	3,763,073	1,923	
Debt instruments at amortised cost	5,497,248	-	-	-	-	5,497,248	2,539	
Total financial assets at amortised cost	246,799,574	2,200,900	22,198,955	204,786,773	229,186,628	69,412,079	5,003,996	
Pledged assets	872,765	-	-	-	-	872,765	668	
Debt instruments at fair value through other comprehensive income	44,458,156	-	-	-	-	44,458,156	19,093	
Total debt instruments at fair value through other comprehensive income	45,330,921	-	-	-	-	45,330,921	19,761	
Financial guarantees	7,858,747	89,352	92,800	-	182,152	7,676,595	62,106	
	299,989,241	2,290,252	22,291,755	204,786,773	229,368,779	122,419,595	5,085,863	

Credit concentrations

The Bank monitors concentrations of credit risk by sector and by geographical location. An analysis of concentrations of credit risk at 31 December 2024, is set out below:

31 December 2024	Cash and bank balances	Due from banks	Pledged assets	Loans and advances	Debt instruments at fair value through profit or loss	Debt instruments at amortised cost	Debt instruments at fair value through OCI	Financial guarantees	Letters of credit for customers	Total
<i>In thousands of Naira</i>										
Concentration by sector:										
Agriculture	-	-	-	12,052,177	-	-	-	1,000,000	-	13,052,177
Communication	-	-	-	158,648	-	-	-	117,655	-	276,303
Consumer	-	-	-	2,213,116	-	-	-	-	-	2,213,116
Education	-	-	-	212,479	-	-	-	1,400,000	-	1,612,479
Finance and Insurance	6,838,806	117,573,256	-	2,275,111	-	-	-	-	-	126,687,173
Government	180,628,348	-	382,207,256	7,633,799	5,616,549	6,381,065	122,311,189	-	60,382,103	765,160,309
Manufacturing	-	-	-	4,129,724	-	-	-	6,215,831	337,682	40,683,237
Oil & Gas	-	-	-	34,652,005	-	-	-	131,005	-	34,783,010
Others	-	-	-	33,977,420	-	-	-	162,024	-	34,139,444
Power	-	-	-	4,079,029	-	-	-	-	-	4,079,029
Real Estate & Construction	-	-	-	40,504,115	-	-	-	31,684,487	-	72,188,603
Transportation	-	-	-	1,377,958	-	-	-	-	-	1,377,958
	187,467,154	117,573,256	382,207,256	173,265,581	5,616,549	6,381,065	122,311,189	40,711,002	60,719,785	1,096,252,837
Concentration by location:										
Nigeria	187,467,154	117,573,256	382,207,256	173,265,581	5,616,549	6,381,065	122,311,189	40,711,002	60,719,785	1,096,252,837
	187,467,154	117,573,256	382,207,256	173,265,581	5,616,549	6,381,065	122,311,189	40,711,002	60,719,785	1,096,252,837

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31 December 2023	Cash and bank balances	Due from banks	Pledged assets	Loans and advances	Debt instruments at fair value through profit or loss	Debt instruments at amortised cost	Debt instruments at fair value through OCI	Financial guarantees	Letters of credit for customers	Total
<i>In thousands of Naira</i>										
Concentration by sector:										
Agriculture	-	-	-	5,182,387	-	-	-	-	-	5,182,387
Communication	-	-	-	5,086,993	-	-	-	60,000	-	5,146,993
Consumer	-	-	-	1,271,977	-	-	-	-	-	1,271,977
Education	-	-	-	183,556	-	-	-	200,000	-	383,556
Finance and Insurance	2,384,174	31,736,918	-	954,011	-	-	-	-	-	35,075,102
Government	26,030,667	-	872,765	10,494,690	-	5,494,709	44,458,156	-	-	87,350,987
Manufacturing	-	-	-	25,468,820	-	-	-	-	-	25,468,820
Oil & Gas	-	-	-	27,024,340	-	-	-	-	-	27,024,340
Others	-	-	-	48,309,794	-	-	-	40,000	-	48,349,794
Power	-	-	-	4,536,238	-	-	-	26,352	-	4,562,590
Real Estate & Construction	-	-	-	45,429,924	-	-	-	7,532,395	-	52,962,319
Transportation	-	-	-	2,206,380	-	-	-	-	-	2,206,380
	28,414,841	31,736,918	872,765	176,149,109	-	5,494,709	44,458,156	7,858,747	-	294,985,245
Concentration by location:										
Nigeria	28,414,841	31,736,918	872,765	176,149,109	-	5,494,709	44,458,156	7,858,747	-	294,985,245
	28,414,841	31,736,918	872,765	176,149,109	-	5,494,709	44,458,156	7,858,747	-	294,985,245

Commitments and Guarantees

In line with industry practice, the Bank conducts business involving acceptances, performance bonds and indemnities. The majority of these facilities are offset by corresponding obligations of third parties. Contingent liabilities and commitments comprise acceptances, endorsements, guarantees and letters of credit.

Guarantees and letters of credit are given as security to support the performance of a customer to third parties. As the Bank will only be required to meet these obligations in the event of the customer's default, the cash requirements of these instruments are expected to be considerably below their nominal amounts.

Other contingent liabilities include transaction related customs and performances bond and are, generally, commitments to third parties which are not directly dependent on the customer's creditworthiness. Documentary credits commit the Bank to make payments to third parties on production of documents, which is usually reimbursed immediately by customers.

The table below summaries the fair value amount of contingent liabilities and commitments with off-financial position risk.

<i>In thousands of Naira</i>	31 Dec 2024
Bonds, guarantees and indemnities	40,711,002
Letters of credit	60,719,785
	101,430,787



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

Maturity profile of contingents and commitments

As at 31 December 2024 <i>In thousands of Naira</i>	On demand	Less than 3 months	3-12 months	1-5 years	Over 5 years	Total
Bonds, guarantees and indemnities	-	14,940,462	18,396,341	4,143,035	3,231,163	40,711,002
Letters of credit	-	337,682	-	60,382,103	-	60,719,785
Total undiscounted financial assets (A)	-	15,278,144	18,396,341	64,525,138	3,231,163	101,430,787

<i>In thousands of Naira</i>	31 Dec 2023
Bonds, guarantees and indemnities	7,858,747
	7,858,747

Maturity profile of contingents and commitments

As at 31 December 2023 <i>In thousands of Naira</i>	On demand	Less than 3 months	3-12 months	1-5 years	Over 5 years	Total
Bonds, guarantees and indemnities	-	880,154	974,658	6,003,934	-	7,858,747
Total undiscounted financial assets (A)	-	880,154	974,658	6,003,934	-	7,858,747

Credit Quality of Financial Assets

The Standardized Approach has been used in assessing the Bank's capital requirement and all corporate exposures were classified as unrated in line with regulatory guidelines. Credit assessments applied to items in the Bank's book and trading book are assigned in accordance with the regulatory guidelines

31 December 2024

Assets

<i>In thousands of Naira</i>	Defaulted exposures	carrying values of: Non-defaulted exposures	Allowances/ impairments	Net values
Balances with Central Bank of Nigeria	-	187,467,154	-	187,467,154
Due from banks	-	117,573,256	-	117,573,256
Pledged assets	-	291,460,137	(47,132)	291,413,005
Loans and advances to customers	267,499	182,505,775	(9,486,902)	173,286,373
Debt securities	-	134,317,747	(8,943)	134,308,804
Off balance sheet exposures	-	101,430,787	(1,328,646)	100,102,141
Total	267,499	418,254,310	(10,824,490)	407,697,319

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

Credit Quality of Financial Assets *cont'd*

31 December 2024

Assets

<i>In thousands of Naira</i>	AAA to AA-	A+ to BBB-	BB+ to B	CCC to D	Unrated	Total	Carrying Amount
Balances with Central Bank of Nigeria	-	-	187,467,154	-	-	187,467,154	187,467,154
Due from banks	-	-	117,573,256	-	-	117,573,256	117,573,256
Pledged assets	-	-	382,207,256	-	-	382,207,256	382,207,256
Loans and advances to customers	-	24,586,893	157,898,091	267,499	-	182,752,483	173,265,581
Debt instrument at fair value through profit or loss	-	-	5,616,549	-	-	5,616,549	5,616,549
Debt instrument at fair value through other comprehensive income	-	-	122,311,189	-	-	122,311,189	122,311,189
Debt instrument at fair value through amortised cost	-	-	6,381,065	-	-	6,381,065	6,381,065
Other financial assets	-	-	-	-	2,469,910	2,469,910	2,469,910
Total	-	24,586,893	979,454,560	267,500	2,469,910	1,006,778,862	997,291,960

31 December 2023

Assets

<i>In thousands of Naira</i>	Defaulted exposures	Non-defaulted exposures	Allowances/ impairments	Net values
Balances with Central Bank of Nigeria	-	28,414,841	-	28,414,841
Due from banks	-	31,736,918	-	31,736,918
Pledged assets	-	820,046	(668)	819,378
Loans and advances to customers	-	181,150,567	(5,001,458)	176,149,109
Debt securities	-	49,955,404	(21,631)	49,933,773
Off balance sheet exposures	-	7,858,747	(62,106)	7,796,641
Total	-	238,964,718	(5,085,195)	233,879,523

<i>In thousands of Naira</i>	AAA to AA-	A+ to BBB-	BB+ to B	CCC to D	Unrated	Total	Carrying Amount
Balances with Central Bank of Nigeria	-	-	28,414,841	-	-	28,414,841	28,414,841
Due from banks	-	-	31,736,918	-	-	31,736,918	31,736,918
Pledged assets	-	-	872,765	-	-	872,765	872,765
Loans and advances to customers	-	9,659,039	171,491,528	-	-	181,150,567	181,150,567
Debt instrument at fair value through other comprehensive income	-	-	44,458,156	-	-	44,458,156	44,458,156
Debt instrument at fair value through amortised cost	-	-	5,494,709	-	-	5,494,709	5,494,709
Other financial assets	-	-	-	-	955,906	955,906	955,906
Total	-	9,659,039	282,468,917	-	955,906	293,083,862	293,083,862



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Credit Mitigation Techniques

The Bank ensures that each credit is reviewed and granted based on the strength of the borrowers' cash flow. However, the Bank also ensures its credit facilities are well secured as a second way out. The policies that guide collateral for facilities are embedded within the Bank's credit policy guide. These include the following policy statements amongst others:

Loans to individuals and non-individuals are to be secured by tangible, marketable collateral that has a market value that is supported by a valuation report from a registered estate valuer who is acceptable to the Bank. The collateral must also be easy to check and easy to dispose of. This collateral must be in the possession of, or pledged to, the Bank. Client's account balances must be within the scope of cover provided by its collateral.

All collateral must be protected by insurance. Exceptions include cash collateral, securities in safe keeping, indemnity or guarantees, or where our interest is general (for instance in a negative pledge). The insurance policy has to be issued by an insurer acceptable to the Bank.

Collateral securities that are pledged must be in negotiable form and usually fall under the following categories:

- a. Real estate, plant and equipment collateral (usually all asset or mortgage debenture or charge), which have to be registered and enforceable under Nigerian law;

- b. Collateral consisting of inventory, accounts receivable, machinery equipment, patents, trademarks, farm products, general intangibles, etc. These require a security agreement (usually a floating debenture) which has to be registered and, must be enforceable under Nigerian law;
- c. Stocks and shares of publicly quoted companies;
- d. Domiciliation of contracts proceeds;
- e. Documents of title to goods such as shipping documents consigned to the order of PremiumTrust Bank;
- f. Letter of lien; and
- g. Cash collateral.

Collateral securities are usually valued and inspected prior to disbursement and on a regular basis thereafter until full repayment of the exposure. We conduct a regular review of all collateral documentation in respect of all credits in the Bank and specific gaps in the collateral documentation addressed immediately.

As part of its Credit risk management strategy, the bank emphasizes on the robustness of its credit analysis and diagnosis prior to disbursement of loans and advances to its customers. The bank closely monitors the performance of its loans and advances.

Once a loan shows sign of credit deterioration, the bank works closely with the customer to salvage the situation and ensure recoverability of its loans. Foreclosure of collateral is usually the last measure adopted by the bank in the realization of its funds.

31 December 2024

<i>In thousands of Naira</i>	Exposure unsecured	Total Exposures	Exposures secured by collateral	Exposures secured financial by guarantees	Exposures secured by financial guarantees of which: secured
Assets					
Loans and advances to customers	41,754	182,752,483	172,734,410	9,976,319	-
Debt Securities	134,317,747	-	-	-	-
Total	134,359,501	182,752,483	172,734,410	9,976,319	-
of which defaulted	-	267,499	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

Credit Risk Exposure and Credit Risk Mitigation (CRM)

Asset Classes	Exposures pre Credit Conversion Factor and Credit Risk Mitigation		Exposures post Credit Conversion Factor and Credit Risk Mitigation		
	on balance sheet	off-balance sheet	on balance sheet	off-balance sheet	Risk Weighted Assets (RWA)
<i>In thousands of Naira</i>					
Sovereigns and their central banks	516,516,060	-	516,516,060	-	-
Non-central government public sector entities	-	-	-	-	-
State Govt and Local Authorities	7,633,799	59,877,764	7,633,799	11,975,553	39,551,201
Supervised institutions	89,342,406	-	2,034,503	-	2,034,503
Corporates	157,702,407	40,227,380	156,870,211	20,009,386	137,761,263
Regulatory retail portfolios	2,320,185	-	2,061,563	-	1,546,172
Secured by residential property	551,184	-	551,184	-	413,388
Secured by commercial real estate	2,609,244	-	2,609,244	2,609,244	-
Past due loans	173,651	-	173,651	-	260,476
Other assets	251,550,834	-	251,550,834	-	31,107,809
Total	1,028,399,770	100,105,144	940,001,048	31,984,938	215,284,056

31 December 2023

Asset Classes	Exposure unsecured	Total Exposures	Exposures secured by collateral	Exposures secured financial by guarantees	Exposures secured by financial guarantees of which: secured
<i>In thousands of Naira</i>					
Assets					
Loans and advances to customers	116,998	181,150,567	170,344,907	10,688,662	-
Debt Securities	49,955,404	-	-	-	-
Total	50,072,402	181,150,567	170,344,907	10,688,662	-
of which defaulted	-	-	-	-	-

Credit Risk Exposure and Credit Risk Mitigation (CRM)

Asset Classes	Exposures pre Credit Conversion Factor and Credit Risk Mitigation		Exposures post Credit Conversion Factor and Credit Risk Mitigation		
	on balance sheet	off-balance sheet	on balance sheet	off-balance sheet	Risk Weighted Assets (RWA)
<i>In thousands of Naira</i>					
Sovereigns and their central banks	60,000,075	-	60,000,075	-	-
Non-central government public sector entities	10,413,684	-	10,413,684	-	10,413,684
Supervised institutions	17,098,564	-	-	-	-
Corporates	163,531,123	7,829,810	162,255,775	3,854,905	141,285,388
Regulatory retail portfolios	928,020	25,000	719,959	12,500	549,344
Secured by residential property	549,278	-	549,278	-	411,959
Secured by commercial real estate	698,615	-	698,615	698,615	-
Past due loans	1,557	-	1,557	-	2,335
Other assets	52,504,375	-	52,504,375	-	18,545,431
Total	305,725,290	7,854,810	287,143,317	3,867,405	171,906,756



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

Exposure by Asset Classes and Risk Weights

31 December 2024								Total Credit
<i>In thousands of Naira</i>								Exposure Amount
Risk weight	0%	20%	50%	75%	100%	150%	(Post CCF and Post CRM)	
Sovereigns	516,516,060	-	-	-	-	-	516,516,060	
Non-central government public sector entities (PSEs)	-	-	-	-	-	-	-	
State Govt and Local Authorities	-	11,975,553	-	-	7,633,799	-	19,609,351	
Multilateral Development Banks (MDBs)	-	-	-	-	-	-	-	
Supervised Institutions	-	-	-	-	2,034,503	-	2,034,503	
Securities Firms	-	-	-	-	-	-	-	
Corporates	-	67,536	58,294,818	-	118,517,242	-	176,879,596	
Regulatory Retail Portfolios Secured by Mortgages on Residential Properties	-	-	-	2,061,563	-	-	2,061,563	
Exposures Secured by Mortgages on Commercial Real Estates	-	-	-	551,184	-	-	551,184	
Past due loans	-	-	-	-	2,609,244	-	2,609,244	
Higher -risk categories	-	-	-	-	-	173,651	173,651	
Other assets	220,443,024	-	-	-	31,107,809	-	251,550,834	
Total	736,959,084	12,043,089	58,294,818	2,612,747	161,902,597	173,651	971,985,986	

Exposure by Asset Classes and Risk Weights

31 December 2024								Total Credit
<i>In thousands of Naira</i>								Exposure Amount
Risk weight	0%	20%	50%	75%	100%	150%	(Post CCF and Post CRM)	
Central Governments and Central Banks	516,516,060	-	-	-	-	-	516,516,060	
State Govt and Local Authorities	-	59,877,764	-	-	7,633,799	-	67,511,563	
Supervised institutions	-	-	16,012,240	-	70,828,184	2,501,981	89,342,406	
Corporates	-	337,682	78,242,667	-	119,349,439	-	197,929,788	
Regulatory retail portfolios Secured by Mortgages on Residential Properties	-	-	-	2,320,185	-	-	2,320,185	
Exposures Secured by Mortgages on Commercial Real Estates	-	-	-	551,184	-	-	551,184	
Past due loans	-	-	-	-	2,609,244	-	2,609,244	
Other assets	220,443,024	-	-	-	-	173,651	173,651	
					31,107,809	-	251,550,834	
Total	736,959,084	60,215,446	94,254,907	2,871,369	231,528,475	2,675,632	1,128,504,914	

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

Exposure by Asset Classes and Risk Weights

31 December 2023

In thousands of Naira

Risk weight	0%	20%	50%	75%	100%	150%	Total Credit Exposure Amount (Post CCF and Post CRM)
Non-central government public sector entities (PSEs)	-	-	-	-	10,413,684	-	10,413,684
Multilateral Development Banks (MDBs)	-	-	-	-	-	-	-
Supervised Institutions	-	-	-	-	-	-	-
Corporates	-	-	-	-	141,285,388	-	141,285,388
Regulatory Retail Portfolios Secured by Mortgages on Residential Properties	-	-	-	549,344	-	-	549,344
Exposures Secured by Mortgages on Commercial Real Estates	-	-	-	-	698,615	-	698,615
Past due loans	-	-	-	-	-	2,335	2,335
Other assets	-	-	-	-	18,545,431	-	18,545,431
Total	-	-	-	961,302	170,943,119	2,335	171,906,756

Exposure by Asset Classes and Risk Weights

31 December 2023

In thousands of Naira

Risk weight	0%	20%	50%	75%	100%	150%	Total Credit Exposure Amount (Post CCF and Post CRM)
Central Governments and Central Banks	60,000,075	-	-	-	-	-	60,000,075
State Govt and Local Authorities	10,413,684	-	-	-	-	-	10,413,684
Supervised institutions	-	-	4,112,200	-	12,986,364	-	17,098,564
Corporates	-	-	53,565,489	-	113,880,539	-	167,446,028
Regulatory retail portfolios Secured by Mortgages on Residential Properties	-	-	12,500	928,020	-	-	940,520
Exposures Secured by Mortgages on Commercial Real Estates	-	-	-	549,278	-	-	549,278
Past due loans	-	-	-	-	698,615	-	698,615
Other assets	33,958,943	-	-	-	-	1,557	1,557
Total	104,372,703	-	57,690,189	1,477,298	127,565,518	18,546,988	309,652,696



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Impairment assessment

The references below show where the Bank's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the Summary of significant accounting policies.

The Bank considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on its contractual payments. The Bank considers treasury and interbank balances defaulted and takes immediate action when the required intra-day payments are not settled by the close of business as outlined in the individual agreements.

As a part of the qualitative assessment of whether a customer is in default, the Bank also considers a variety of instances that may indicate unlikelihood to pay. When such events occur, the Bank carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate. Such events include:

- Significant financial difficulty of the issuer or the borrower;
- A breach of contract, such as a default (debt service default or technical default) or past due event.
- The Bank, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the Bank would not otherwise consider.
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.
- The disappearance of an active market for that financial asset because of financial difficulties.
- The Bank puts the credit obligation on non-accrued status.
- The Bank consents to a distressed restructuring of the credit obligation where this is likely to result in a diminished financial obligation caused by the material forgiveness, or postponement, of principal, interest or (where relevant) fees.

It is the Bank's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage 3 when there is a significant reduction in the credit risk and none of the default criteria have been present for at least 90 consecutive days.

The following probationary period is applied in transferring financial asset back to a lower stage following a significant reduction in credit risk:

- When there is evidence of a significant reduction in credit risk for a financial instrument in stage 2, a probationary period of 90 days will be applied to confirm if the risk of default on such financial instrument has decreased sufficiently before upgrading such exposure to stage 1.
- When there is evidence that a financial asset in stage 3 (other than originated or purchased credit impaired financial asset) is no longer credit impaired and also that there is a significant reduction in credit risk for a financial instrument in stage 3, a probationary period of 90 days will be applied to confirm if the risk of default on such financial instrument has decreased sufficiently before upgrading such exposure to stage 2.
- When there is evidence that a financial asset in stage 3 (other than originated or purchased credit impaired financial asset) is no longer credit impaired and also that there is a significant reduction in credit risk for a financial instrument in stage 3, a probationary period of 180 days will be applied to confirm if the risk of default on such financial instrument has decreased sufficiently before upgrading such exposure to stage 1.

The Bank's internal rating and Probability of Default (PD) estimation process

The Bank runs separate models for its key portfolios in which its customers are rated from AAA to D using internal grades. The models incorporate both qualitative and quantitative information and, in addition to information specific to the borrower, utilise supplementary external information that could affect the borrower's behaviour. These information sources are first used to determine the ratings within the Bank's risk management framework. The internal credit grades are assigned based on these assessments.

PDs is an estimate of the likelihood of default over a given time horizon which is based on the historical default data of the Bank which are then adjusted for IFRS 9 ECL calculations by incorporating forward looking information. This is further assessed based on three economic scenarios (Base, Upturn and Downturn) with appropriate probability weights assigned to derive the probability weighted ECLs.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Treasury, trading and interbank relationships

The Bank's treasury, trading and interbank relationships and counterparties comprise banks, broker-dealers and other financial services institutions. For these relationships, the Bank analyses available information such as financial information and other external data to conduct credit assessments and assign internal ratings.

Corporate lending

For corporate loans, the borrowers are assessed by specialised credit risk employees of the Bank. The credit risk assessment is based on a credit rating model that takes into account various historical, current and forward-looking information such as:

- Historical financial information together with forecasts and budgets prepared by the client. This financial information includes realised and expected results, solvency ratios, liquidity ratios and any other relevant ratios to measure the client's financial performance. Some of these indicators are captured in covenants with the clients and are, therefore, measured with greater attention.
- Any publicly available information on the clients from external parties. This includes external rating grades issued by rating agencies, independent analyst reports, publicly traded bond.
- Any macro-economic or geopolitical information, e.g., GDP growth for the specific industry and geographical segments where the client operates. Industry or sector information to assess the competitive position of the obligors with regards to market share.
- Any other objectively supportable information on the quality and abilities of the client's management relevant for the company's performance.

The complexity and granularity of the rating techniques varies based on the exposure of the Bank and the complexity and size of the customer. Some of the less complex small business loans are rated within the Bank's models for retail products.

Retail/MSME lending

Retail lending comprises, asset finance, unsecured personal loans and overdrafts. These products and some of the less complex small business lending are rated by an internal scorecard.

Key inputs into the models are:

- **Consumer/Retail lending products:** gross annual income/monthly income levels based on records of current accounts and employer, employment information, personal indebtedness, demographic information.
- **MSMEs:** Financial, management, nature of Business, Trade references and industry information. In addition, historical account performance is evaluated.

The Bank's internal credit rating grades

Risk Rating	Rating Bucket	Remarks
AAA	1	Excellent
AA+ TO AA-	2	Good Credit Risk Quality
A+ TO A-	3	Above Average Credit Risk Quality
BBB+ TO BBB-	4	Average Credit Risk Quality
BB+ TO BB-	5	Below Average Credit Risk Quality
B	6	High Credit Risk
C TO CCC	7	Very High Credit Risk
D - S	8	Substandard
D - D	9	Doubtful
D - L	10	Lost

Exposure at default

EAD is based on the amounts the Bank expects to be owed at the time of default, over the next 12 months or over the remaining lifetime (LifetimeEAD). The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the client's ability to increase its exposure while approaching default and potential early repayments too.

EAD measures the utilised exposure at default. For on-balance sheet exposures, the gross value of the exposure is taken into account, and for off-balance sheet exposures a credit conversion factor (CCF) is used to estimate future utilisation.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Loss given default

This is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from any collateral. It is usually expressed as a percentage of EAD.

LGD is calculated on a 12-month or lifetime basis, where 12-month LGD is the percentage of loss expected to be made if the default occurs in the next 12 months and Lifetime LGD is the percentage of loss expected to be made if the default occurs over the remaining expected lifetime of the loan.

Significant increase in credit risk

The Bank continuously monitors all assets subject to ECLs. In order to determine whether an instrument or a portfolio of instruments is subject to 12 months ECL or Lifetime (LT) ECL, the Bank assesses whether there has been a significant increase in credit risk since initial recognition. The Bank considers both qualitative and quantitative factors in assessing whether credit risk has increased significantly on any exposure. Some of these factors include significant increase in PD since initial recognition, expectation of forbearance and restructuring due to financial difficulties.

Regardless of the change in credit grades, if contractual payments are more than 30 days past due, the credit risk is deemed to have increased significantly since initial recognition.

Analysis of inputs to the ECL model under multiple economic scenarios

An overview of the approach to estimating ECLs is set out in Note 2.2 Summary of significant accounting policies and in Note 3.0 Significant accounting judgements, estimates and assumptions. To ensure completeness and accuracy, the Bank obtains the data used from third party sources (Central Bank of Nigeria, Nigeria Bureau of Statistics, BMI Research, Trading Economics etc.) and a team of expert within its Enterprise Risk Management Department verifies the accuracy of inputs to the Bank' ECL models including determining the weights attributable to the multiple scenarios. The following tables set out the key drivers of expected loss and the assumptions used for the Bank's base case estimate, ECLs based on the base case, plus the effect of the use of multiple economic scenarios as at 31 December 2024.

The tables show the values of the key forward looking economic variables/assumptions used in each of the economic scenarios for the ECL calculations. The figures for "Subsequent years" represent a long-term average and so are the same for each scenario.

31 December 2024

Key drivers	ECL Scenario	Assigned probabilities	2025	2026	2027	2028	2029
GDP growth rate%	Upside	30%	4.6%	5.6%	5.5%	4.9%	5.34%
	Base Case	40%	3.3%	4.3%	4.8%	4.4%	5.14%
	Downside	30%	2.0%	3.0%	3.1%	3.9%	4.46%
Exchange rate	Upside	30%	1595.1	1601.2	1715.6	1651.3	1711.51
	Base Case	40%	1811.8	1972.0	2027.0	1684.6	1792.20
	Downside	30%	2028.5	2022.4	2228.4	1993.0	2092.99
Inflation rate %	Upside	30%	17.0	14.1	14.2	13.9	1252.00%
	Base Case	40%	20.0	17.0	16.5	14.0	1225.00%
	Downside	30%	23.0	19.9	19.8	15.5	1388.00%

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

31 December 2023

Key drivers	ECL Scenario	Assigned probabilities	2024	2025	2026	2027	2028
GDP growth rate%	Upside	30%					
	Base Case	40%	3.06%	3.06%	3.08%	3.06%	3.08%
	Downside	30%					
Exchange rate	Upside	30%					
	Base Case	40%	81.35	77.75	79.30	80.90	82.50
	Downside	30%					
Inflation rate %	Upside	30%					
	Base Case	40%	15.80%	14.69%	14.46%	14.00%	14.00%
	Downside	30%					

(e) Liquidity risk

Liquidity risk and Funding Management: The Bank is exposed to two types of liquidity risk;

- Trading Liquidity Risk is the risk of financial loss arising from the difficulty or inability to close out on marketable assets due to the shallowness of the market, this type of liquidity risk is prevalent when financial assets cannot be liquidated at short notice due to adverse market conditions.
- Funding Liquidity Risk is the risk of financial loss or insolvency arising from the inability to fund assets or meet maturing obligations as they fall due without incurring unacceptable costs or losses. Funding liquidity risk is managed primarily by holding a sufficient stock of unencumbered liquid assets and limiting mismatches in maturities between assets and liabilities. The Bank places a high premium on liquidity risk management to protect its reputation and fulfill the expectations of customers and other stakeholders.

The Asset & Liability Management Committee (ALCO) is responsible for the management of liquidity risk in the Bank. Functionally, the Treasury department manages the day-to-day liquidity requirements of the Bank while the Market Risk Management unit provides independent insight on Liquidity Risk to the Management and the Board. In addition, the Board Risk Committee has the delegated authority of the Board of Directors (BOD) to provide strategic oversight on funding and liquidity risk management.

In line with the Liquidity Risk Management policy of the Bank, the liquidity position is assessed and managed within the confines of extant banking regulations and in conformity with the Bank's Risk Appetite. The Risk Appetite Statement of the Bank is subject to approval by the Board and includes provisions on liquidity risk limits which are closely monitored and reported. Detailed liquidity risk limits are included in an annual Market and Liquidity Risk limits package which is subject to approval by ALCO, reports on the Bank's exposures with respect to these limits are presented at monthly ALCO meetings.

Presented below is the process used in managing liquidity:

Treasury oversees day-to-day funding by monitoring current and future cash flows to ensure that requirements can be met. This includes replenishment of funds as they mature or are borrowed by customers. The Bank maintains an active presence in money markets to enable this to happen, the liquidity management process includes:

- Maintaining a portfolio of highly marketable assets that can easily be liquidated as protection against any unforeseen interruption to cash flow;
- Monitoring balance sheets liquidity ratios against internal and regulatory requirements and the measurement and projection of funding requirements using various liquidity scenarios.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Liquidity Risk Measurement Techniques

Liquidity positions are measured by calculating the cumulative liquidity gap and by comparing selected ratios with targets as specified in the liquidity risk management policy.

The key measure used by the Bank for managing liquidity risk is the ratio of net liquid assets to deposits from customers. For this purpose, net liquid assets are considered as including cash and cash equivalents, placements and government securities for which there is an active and liquid market.

The following table reflects the Bank's regulatory liquidity ratio for the periods indicated.

	31 Dec. 2024	31 Dec. 2023
At end of the year	43.5%	33.1%
Average for the quarter	59.8%	32.3%
Maximum for the quarter	79.4%	39.8%
Minimum for the quarter	30.1%	30.0%

The Liquidity Ratio statistics shown above is for the period Q4.

In addition to the above, the Bank also applies the following metrics in measuring liquidity risk and ensuring that day-to-day funding requirements are met.

1 Liquidity Coverage Ratio (LCR): The LCR aims to ensure that the Bank has sufficient unencumbered high-quality liquid assets ('HQLA') to withstand a stressed 30-day funding scenario. HQLA consist of cash or assets that can easily be converted into cash at little or no loss of value to cover any net outflow. The minimum requirement is 100%.

On a Business-As-Usual (BAU) basis, the Bank's LCR as at 31 December 2024 was 146.4% (31 Dec 2023: 130.3%). The LCR indicates that the Bank has adequate liquidity to support its current level of growth.

2 Liquidity Gap: The Bank uses liquidity gap analysis to aid the management of funding liquidity risk. A liquidity gap report is prepared by placing assets and liabilities into various time bands based on the timing of cash inflows and outflows derivable therefrom, the gaps are computed as the difference between cash inflows and cash outflows in each time band. Behavioral modeling in the form of non-maturity analysis is performed for assets and liabilities having indeterminate

maturity. The resulting cumulative gaps from the behavioral maturity profile are tracked against the approved negative cumulative funding gap limit on the Bank's Market & Liquidity Risk Limits Package.

3 Liquidity Ratios: The Bank uses liquidity ratios as indicators to measure the ability to meet liquidity needs under a business-as-usual or a stressed market scenario. These ratios describe the structure and shape of the balance sheet and allow the ALCO to monitor changes in structural liquidity. Specifically, liquidity ratios dimension the Bank's capacity to meet short-term obligations with liquid assets, quantify the level of concentration in funding sources, review the ability of the banking business to fund loans through customer deposits and provide a means of identifying early warning liquidity stress signals.

Detailed limits and targets for liquidity ratios are approved by ALCO with the prevailing values being presented at monthly ALCO meetings.

Please find below key liquidity risk metrics as at 31st December 2024.

	As at 31 December 2024	As at 31 December 2023
Liquidity Ratio	43.5%	33.1%
Net Interbank Borrowing /Total Deposit	0.0%	0.0%
Loan/ Deposit Ratio	40.4%	69.4%
Wholesale Deposits/ Total LCY Deposits	0.0%	0.0%
Current and Savings Account/Total Deposit	77.2%	69.3%

4. Liquid Stress Testing: Stress testing is a risk management tool that simulates the impact of extreme but plausible adverse events on the performance and/or sustainability of the institution. The objective of liquidity stress testing is to ensure that the Bank manages financial assets and liabilities in a proactive manner which assures that obligations can be fulfilled under all types of conditions. Stress tests are conducted using approved scenarios and the results are presented to management to aid liquidity planning.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

5. Liquidity Contingency Funding Plan: The Bank has an approved liquidity Contingency Funding Plan (CFP or the Plan) for managing unanticipated stressful scenarios that could result in a significant erosion of Bank-specific or general market liquidity. The Plan details the policies, procedures and actions for responding to contingent liquidity events as well as incorporates early warning indicators to monitor market conditions.

Such early warning indicators include, among others, a decline in the liquidity ratio below approved limits for a prescribed period, increases in the proportion of inter-bank and wholesale funding to total deposits, excesses over limits on concentration ratios and a persistent increase in NPL ratio.

The Contingency Funding plan covers the available sources of contingent funding to supplement cash flow shortages, the lead times to obtain such funding, the roles and responsibilities of those involved in the contingency plans and the communication and escalation requirements when early warning indicators signal deteriorating market conditions. Both short term and long-term funding crises are addressed in the Contingency Funding Plan.

Contractual Liquidity Gap

The table below shows the undiscounted cash flows on the Bank's financial assets and liabilities and on the basis of their earliest possible contractual maturity. The gross nominal inflow / (outflow) disclosed in the table is the contractual, undiscounted cash flow on the financial liability or commitment.

31 December 2024		Carrying amount	Gross nominal inflow/ (outflow)	Less than 3 months	3-6 months	6-12 months	1 - 5 years	More than 5 years
<i>In thousands of Naira</i>	Note							
Financial assets								
Cash and balances with								
Central Bank of Nigeria	19	187,467,154	187,467,154	187,467,154	-	-	-	-
Due from banks	20	117,573,256	117,832,749	117,832,749	-	-	-	-
Pledged assets	21	382,207,256	438,812,768	148,468,979	46,000,000	235,573,979	8,769,810	-
Loans and advances to customers	22	173,265,581	183,251,245	17,163,610	17,104,186	23,731,777	124,790,531	461,140
Investment securities:								
- Debt instruments at fair value through profit or loss								
		5,616,549	6,088,218	3,844,100	1,000,000	1,244,118	-	-
- Debt instruments at fair value through other comprehensive income								
	23(b)	122,311,189	133,346,532	50,533,660	30,507,700	52,300,258	4,914	-
- Debt instruments at amortised cost								
		6,381,065	7,277,332	390,041	-	390,041	6,497,250	-
Other financial assets	24	2,469,910	2,469,910	2,469,910	-	-	-	-
		997,291,960	1,076,545,908	528,170,203	94,611,886	313,240,173	140,062,505	461,140
Financial liabilities								
Deposits from customers	27	451,910,733	452,521,493	448,399,031	1,347,669	2,630,237	144,557	-
Other borrowed funds	28	439,031,240	439,877,449	151,712,948	47,613,580	240,550,921	-	-
Trading Liabilities	29	7,826,109	7,826,109	7,826,109	-	-	-	-
Other financial liabilities	30	43,198,538	45,482,560	29,311,183	11,115,100	-	1,924,306	3,131,972
		941,966,620	945,707,611	637,249,270	60,076,349	243,181,158	2,068,862	3,131,972
Gap (asset - liabilities)		55,325,340	130,838,297	(109,079,067)	34,535,538	70,059,015	137,993,643	(2,670,832)
Cumulative liquidity gap				(109,079,067)	(74,543,529)	(4,484,514)	133,509,129	130,838,297

While there is a negative cumulative liquidity gap within one year, it does not reflect the actual liquidity position of the Bank as most of the term deposits from customers maturing within one year are historically being rolled over.



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FOR THE YEAR ENDED 31 DECEMBER 2024

31 December 2023			Gross nominal					
<i>In thousands of Naira</i>	Note	Carrying amount	Inflow/ (outflow)	Less than 3 months	3-6 months	6-12 months	1 - 5 years	More than 5 years
Financial assets								
Cash and balances with								
Central Bank of Nigeria	19	28,414,841	28,427,106	2,992,469	-	-	-	25,434,638
Due from banks	20	31,736,918	31,757,938	22,262,987	9,494,950	-	-	-
Pledged assets	21	872,765	926,455	3,495	300,000	548,495	74,465	-
Loans and advances to customers	22	176,149,109	181,150,567	9,864,314	8,137,509	17,980,936	116,294,855	28,872,953
Investment securities:								
- Debt instruments at fair value through other comprehensive income								
	23	44,458,156	49,422,872	736,355	2,491,759	41,056,673	5,138,085	-
- Debt instruments at amortised cost								
		5,494,709	6,496,875	309,375	-	309,375	5,878,125	-
Other financial assets	24	955,906	955,906	955,906	-	-	-	-
		288,082,404	299,137,718	37,124,901	20,424,218	59,895,479	127,385,530	54,307,590
Financial liabilities								
Deposits from customers	27	260,922,480	260,978,167	254,436,857	3,852,555	2,621,999	66,756	-
Other borrowed funds	28	1,432,960	1,500,061	-	-	1,500,061	-	-
Other financial liabilities	29	7,960,584	9,680,810	7,081,310	-	-	988,194	1,611,306
		270,316,024	272,159,038	261,518,167	3,852,555	4,122,060	1,054,951	1,611,306
Gap (asset - liabilities)		17,766,379	26,978,680	(224,393,266)	16,571,663	55,773,419	126,330,579	52,696,285
Cumulative liquidity gap				(224,393,266)	(207,821,603)	(152,048,184)	(25,717,605)	26,978,680

While there is a negative cumulative liquidity gap within one year, it does not reflect the actual liquidity position of the Bank as most of the term deposits from customers maturing within one year are historically being rolled over.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

Behavioral Liquidity Gap

The table below shows the undiscounted cash flows on the Bank's financial assets and liabilities and on the basis of their earliest possible contractual maturity for maturing items and behavioral attributes of non-maturing items. The gross nominal inflow / (outflow) disclosed in the table is the contractual, undiscounted cash flow on the financial liability or commitment.

31 December 2024		Carrying amount	Gross nominal inflow/ (outflow)	Less than 3 months	3-6 months	6-12 months	1 - 5 years	More than 5 years
<i>In thousands of Naira</i>	Note							
Financial assets								
Cash and balances with Central Bank of Nigeria	19	187,467,154	187,467,154	187,467,154	-	-	-	-
Due from banks	20	117,573,256	117,832,749	117,832,749	-	-	-	-
Pledged assets	21	382,207,256	439,549,260	148,574,152	46,628,500	235,574,152	8,772,456	-
Loans and advances to customers	22	173,265,581	183,251,245	17,163,610	17,104,186	23,731,777	124,790,531	461,140
Investment securities:								
- Debt instruments at fair value through profit or loss		5,616,549	6,088,218	3,844,100	1,000,000	1,244,118	-	-
- Debt instruments at fair value through other comprehensive income	23	122,311,189	138,685,202	136,563,542	-	355,940	1,765,720	-
- Debt instruments at amortised cost		6,381,065	7,274,388	389,878	-	389,878	6,494,633	-
Other financial assets	24	2,469,910	2,469,910	2,469,910	-	-	-	-
		997,291,960	1,082,618,125	614,305,095	64,732,686	261,295,865	141,823,339	461,140
Financial liabilities								
Deposits from customers	28	451,910,733	452,521,493	153,553,223	48,991,593	101,510,991	74,305,123	74,160,563
Other borrowed funds	29	439,031,240	439,877,449	151,712,948	47,613,580	240,550,921	-	-
Trading liabilities	30	7,826,109	7,826,109	7,826,109				
Other financial liabilities	31	43,198,538	45,482,560	29,311,183	11,115,100	-	1,924,306	3,131,972
		941,966,620	945,707,611	342,403,462	107,720,273	342,061,912	76,229,429	77,292,535
Gap (asset - liabilities)		55,325,340	136,910,514	271,901,632	(42,987,586)	(80,766,047)	65,593,911	(76,831,395)
Cumulative liquidity gap				271,901,632	228,914,046	148,147,999	213,741,909	136,910,514



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

31 December 2023									
<i>In thousands of Naira</i>	Note	Carrying amount	Gross nominal Inflow/ (outflow)	Less than 3 months	3-6 months	6-12 months	1 - 5 years	More than 5 years	
Financial assets									
Cash and balances with Central Bank of Nigeria	19	28,414,841	28,427,106	2,992,469	-	-	-	25,434,638	
Due from banks	20	31,736,918	31,757,959	31,757,959	-	-	-	-	
Pledged assets	21	872,765	928,750	3,750	303,750	545,000	76,250	-	
Loans and advances to customers	22	176,149,109	181,150,567	9,864,314	8,137,509	17,980,936	116,294,855	28,872,953	
Investment securities:									
- Debt instruments at fair value through other comprehensive income	23	44,458,156	48,399,929	48,399,929	-	-	-	-	
- Debt instruments at amortised cost		5,494,709	6,562,500	6,562,500	-	-	-	-	
Other financial assets	24	955,906	955,906	955,906	-	-	-	-	
		288,082,404	298,182,717	100,536,827	8,441,259	18,525,936	116,371,105	54,307,590	
Financial liabilities									
Deposits from customers	28	260,922,480	260,978,168	89,944,133	15,328,792	33,225,297	61,273,351	61,206,595	
Other borrowed funds	29	1,432,960	1,432,960	-	-	1,432,960	-	-	
Other financial liabilities	30	7,960,584	9,680,810	7,081,310	-	-	988,194	1,611,306	
		270,316,025	272,091,939	97,025,443	15,328,792	34,658,257	62,261,545	62,817,901	
Gap (asset - liabilities)		17,766,380	26,090,778	3,511,383	(6,887,533)	(16,132,321)	54,109,559	(8,510,310)	
Cumulative liquidity gap				3,511,383	(3,376,150)	(19,508,470)	34,601,089	26,090,778	

(f) Market Risk

Market risk is the risk that earnings or capital would be adversely affected by changes in the level, correlation or volatility of market factors. These market factors include interest rates, foreign exchange rates, equity prices, and commodity prices. This risk arises mainly from trading activities as well as through non-traded risk in the banking book.

The Bank's objective is to control and manage market risk exposures within the acceptable risk appetite approved by the Board while optimizing returns. The Bank's ability to effectively identify, assess, monitor and manage market risks involved in its activities is critical to its soundness and profitability. Its strategy is to invest its own capital on a limited and carefully selected basis in transactions and other business activities that involve market risk.

Central to the Bank's market risk management is the deployment of appropriate tools and methodologies tailored towards identifying, measuring, monitoring, controlling and reporting the Bank's exposure to each market risk factor.

Market Risk Management and Control Framework

The Bank has put in place a robust and clearly defined market risk management framework, which essentially provides the Board and Management with guidance on market risk management processes and procedures. All teams involved in the management and control of market risk are required to fully comply with the policy statements to ensure the Bank is not exposed to market risk beyond the qualitative and quantitative risk tolerances.

A dedicated market risk team, independent of the trading and business units, is responsible for implementing the market risk control framework and assumes day-to-day responsibility for market risk management. A limits package is approved annually by ALCO on the basis of which the market risk team generates reports which are circulated to relevant stakeholders.

Within the context of governance at Executive Management level, the Assets and Liabilities Management Committee (ALCO) manages market and liquidity risks across the Bank and meets monthly to review, approve and make recommendations concerning the risk profile including limits, utilization and strategy.

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FOR THE YEAR ENDED 31 DECEMBER 2024

Risk limits which are monitored regularly by the Market Risk team include unhedged open positions, factor sensitivity and Management Action Triggers (MATs) amongst others. The Head, Market Risk Management reports to the Chief Risk Officer (CRO) who bears responsibility for Enterprise Risk Management in the Bank.

Market Risk Measurement Techniques

The major measurement techniques used by the Bank to monitor and control Market Risk exposures are outlined below.

- 1 Factor Sensitivity:** Is a technique that quantifies the impact of a 1-basis point adverse movement in rates on the market value of a portfolio or an asset. The interest rate sensitivity of the fixed income portfolio is expressed in terms of the sensitivity to the impact of a 1 basis point (or 0.01%) upward shift in interest rates (the market factor). Factor sensitivity limits for the trading book and banking book are included in the Market & Liquidity Risk Limits Package which is renewed annually, exposures are tracked and reported regularly.
- 2 Loss Limit (Management Action Triggers):** The Management Action Trigger defines management's tolerance for accepting price risk related losses on a cumulative 21-day basis. Losses measured on a mark-to-market and realized basis that exceed the Management Action Trigger must be reported to the next level of management above the Risk-Taking Unit. Thereafter, a stop loss limit is to be agreed with this next level of management, documented in writing and immediately applied to the position when triggered.
- 3 Value at Risk (VaR):** Is a technique that produces estimates of the potential fall in the market value of a portfolio over a specified time horizon at a given confidence level. In line with the Bank's policy, VaR assumes a time horizon of one trading day and a confidence level of 99% for internal risk management purposes bearing in mind current market realities, the Bank's level of exposure as well as the composition of its portfolio.

The Bank's trading VaR as of financial year end 2024 is reflected in the table below.

2024 (N'000)	Interest Rate	Foreign Exchange
VaR as at 31 Dec 2024	104,000	2,524

2023 (N'000)	Interest Rate	Foreign Exchange
VaR as at 31 Dec 2023	-	210.4

4 Stress Testing: Stress testing is a risk management tool that considers a number of extreme but plausible assumptions to simulate the impact of adverse events (scenarios) on a business or an institution. The Market Risk Management Unit conducts stress tests on the Bank's exposures and the results are presented to Management at the monthly ALCO meetings. Stress test scenarios are selected based on the following guidelines:

- Stress scenarios must entail extraordinary market movements.
- Historical events will be considered in the search for these scenarios
- The selection of scenarios will be consistent with the risk profile of the Bank

The results of the stress tests are reviewed by the ALCO who may respond by modifying the portfolio and taking other strategic steps. The stress test results may also be presented to the Board.

f (i) Interest Rate Risk in the Banking Book

Interest rate risk in the banking book (IRRBB) arises from the adverse impact on earnings or capital due to changes in market interest rates. Changes in market interest rates affect earnings by impacting net interest income of the Bank. Changes in market interest rates also affect the underlying value of the Bank's assets, liabilities, and off-balance-sheet instruments because the present value of future cash flows (and in some cases, the cash flows themselves) change when interest rates change. The Bank's operations are subject to the risk of interest rate fluctuations to the extent that interest-earning assets and interest-bearing liabilities mature or re-price at different times or in differing amounts. The Bank has adopted the Standardized Methodology for the assessment of IRRBB.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

The Bank's objective for management of interest rate risk in the banking book is to ensure a higher degree of net interest rate margin stability and lower interest rate risk over each interest rate cycle. The Market Risk Management Unit is responsible for monitoring and reporting the Bank's exposure to IRRBB while ALCO plays a critical decision-making role.

Measurement of Interest Rate Risk in the Banking Book

The measures applied by the Bank in monitoring and controlling interest rate risk in the banking book comprise:

Net Interest Income (NII) Sensitivity - An integral part of the Bank's management of non-traded interest rate risk is to monitor the sensitivity of expected net interest income while applying different rate scenarios (simulation modelling) where other macro-economic metrics are held constant. The Bank applies a combination of assumptions relevant to its peculiar businesses in forecasting one-year net interest income sensitivities across different interest rate scenarios.

Economic Value of Equity (EVE) - This methodology quantifies how much interest rate risk the bank is exposed to as a result of re-pricing and basis risks which are vulnerabilities created in the process of financial intermediation. The EVE methodology discounts to

present day value, the potential loss to equity arising from the impact of adverse movement in the market yield curve. An EVE sensitivity is the extent to which the EVE value will change due to a pre-specified movement in interest rates, where all other economic variables are held constant.

The following tables provide information on the extent of the Bank's interest rate exposure. The assets and liabilities are grouped into brackets defined by their time to maturity or the date of the interest rate adjustment. The difference, or gap, between assets and liabilities in each time bracket makes the Bank sensitive to interest rate fluctuations. The amounts are based on interest rate maturities. However, saving and current accounts have a non-defined interest maturity. A quantitative assessment of the interest rate sensitivity of our saving accounts and current accounts has been executed. The outcome of this assessment is used in the calculations for interest rate risk.

f(i) Interest Rate Risk

The following tables provide information on the extent of the Bank's interest rate exposure. The assets and liabilities are grouped into brackets defined by their time to maturity or the date of the interest rate adjustment. The difference, or gap, between assets and liabilities in each time bracket makes the Bank sensitive to interest rate fluctuations.

RATE SENSITIVITY OF ASSETS AND LIABILITIES								
<i>In thousands of Naira</i>	Notes	Less than 3 months	3-6 months	6-12 months	1 - 5 years	More than 5 years	Non-interest rate sensitive	Total
(a) 31 December 2024								
<i>Non-derivative assets:</i>								
Due from banks	20	87,067,295	-	-	-	-	30,505,961	117,573,256
Pledged assets	21	141,167,552	41,412,512	192,736,540	8,772,456	-	-	384,089,060
Loans and advances to customers	22	172,287,223	3,473	20,823	306,300	647,762	-	173,265,581
Investment securities:								
- Debt instruments at fair value through profit or loss		3,675,599	914,022	1,128,479	-	-	-	5,616,549
- Debt instruments at fair value through other comprehensive income	23(b)	46,892,168	27,724,298	42,420,011	3,291,359	-	-	122,311,189
- Debt instruments at amortised cost		389,877.50	-	389,878	5,602,067	-	-	6,381,065
		451,479,715	70,054,305	236,695,730	17,972,182	647,762	30,505,961	809,236,700
<i>Non-derivative liabilities:</i>								
Deposits from customers	27	136,094,578	1,330,202	2,486,419	104,103	-	311,895,432	451,910,733
Trading liabilities	28	-	-	-	2,308,855	5,517,254	-	7,826,109
Other borrowed funds	29	427,257,320	10,821,004	952,916	-	-	-	439,031,240
		563,351,898	12,151,205	3,439,335	2,412,958	5,517,254	311,895,432	898,768,082
Total interest sensitivity gap		(111,872,183)	57,903,099	233,256,395	15,559,224	(4,869,491)	(281,389,471)	(89,531,382)

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Impact of Standardized Interest Rate Shock on Earnings

Time Band	No. of Days	Upward 2%	Downward -2%	Interest Rate Gap (Net Positions)	Impact of upward movement	Impact of Downward movement
Less than 3 months	335	0.02	(0.02)	(11,872,183)	(2,047,933)	2,047,933
from 3 to 6 months	275	0.02	(0.02)	57,903,099	870,129	(870,129)
from 6 to 12 months	185	0.02	(0.02)	233,256,395	2,358,056	(2,358,056)
Total				179,287,311	1,180,252	(1,180,252)

RATE SENSITIVITY OF ASSETS AND LIABILITIES

<i>In thousands of Naira</i>	Notes	Less than 3 months	3-6 months	6-12 months	1 - 5 years	More than 5 years	Non-interest rate sensitive	Total
(a) 31 December 2023								
<i>Non-derivative assets:</i>								
Due from banks	20	26,610,862	-	-	-	-	5,531,837	31,736,918
Loans and advances to customers	22	176,122,276	-	-	-	-	-	176,149,109
<i>Investment securities:</i>								
- Debt instruments at fair value through other comprehensive income	23	492,120	2,730,646	37,651,197	3,584,194	-	-	44,458,156
- Debt instruments at amortised cost		-	-	-	5,494,709	-	-	5,494,709
		203,225,259	2,730,646	37,651,197	9,078,903	-	5,531,837	257,838,892
<i>Non-derivative liabilities:</i>								
Deposits from customers	27	80,145,398	3,852,555	2,621,999	66,756	-	174,291,459	260,922,480
Other borrowed funds	28	-	-	1,432,960	-	-	-	1,432,960
		80,145,398	3,852,555	4,054,960	66,756	-	174,291,459	262,355,440
Total interest sensitivity gap		123,079,861	(1,121,909)	33,596,237	9,012,146	-	(168,759,621)	(4,516,548)

Impact of Standardized Interest Rate Shock on Earnings

Time Band	No. of Days	Upward 2%	Downward -2%	Interest Rate Gap (Net Positions)	Impact of upward movement	Impact of Downward movement
Less than 3 months	335	0.02	(0.02)	123,079,861	2,253,101	(2,253,101)
from 3 to 6 months	275	0.02	(0.02)	(1,121,909)	(16,859)	16,859
from 6 to 12 months	185	0.02	(0.02)	33,596,237	339,634	(339,634)
Total				155,554,188	2,575,876	(2,575,876)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

f (ii) Foreign Currency Risk

Foreign exchange risk is the risk that fluctuations in the prevailing foreign exchange rates would adversely affect the value of the Bank's assets and liabilities as well as off-balance sheet items. Financial Instruments that are exposed to this risk include; foreign currency denominated loans and advances, securities and future cash flows in foreign currencies arising from foreign currency transactions. Exposures to foreign exchange risk are consistently monitored by limit structures for overnight and intraday positions.

The ALCO approves limits on the level of exposure by currency and in aggregate for both overnight and intra-

day positions, these are monitored daily since an effective overview of such risk is a critical element of the Bank's asset/liability risk management. The Board defines the overall risk tolerance levels and expectations for foreign exchange risk management and Management aims to ensure that the risk tolerance is maintained at prudent levels.

Foreign exchange risk is quantified using the net balance of assets and liabilities in each currency, and their total sum. This net open position is measured on a daily basis and is to be kept within set limits.

The table below summarises the Bank's exposure to foreign exchange risk at 31 December 2024.

(a) Foreign Currency Concentrations risk as at 31 December 2024

<i>In thousands of Naira</i>	Naira	Dollar	GBP	Euro	Others	Total
Assets						
Cash and balance with Central Bank of Nigeria	183,556,286	2,382,178	58,488	48,112	-	186,045,064
Un-restricted balance	1,422,091	-	-	-	-	1,422,091
Due from other banks	87,625,362	29,891,712	51,261	4,922	-	117,573,256
Pledged assets	382,207,256	-	-	-	-	382,207,256
Loans and advances to customer	173,265,581	-	-	-	-	173,265,581
Investment securities :						
- Debt instruments at fair value through profit or loss	5,616,549	-	-	-	-	5,616,549
- Debt instruments at fair value through other comprehensive income	122,311,189	-	-	-	-	122,311,189
- Debt instruments at amortised cost	6,381,065	-	-	-	-	6,381,065
Other financial assets	2,469,910	-	-	-	-	2,469,910
Total financial assets (A)	964,855,289	32,273,889	109,748	53,034	-	997,291,960
Liabilities						
Due to customers	437,195,544	14,554,083	110,202	50,904	-	451,910,733
Other borrowed funds	439,031,240	-	-	-	-	439,031,240
Trading liabilities	7,826,109	-	-	-	-	7,826,109
Other financial liabilities	25,243,867	17,954,489	5	177	-	43,198,538
Total financial liabilities (B)	909,296,760	32,508,572	110,207	51,080	-	941,966,620
Net financial assets/(liabilities)	55,558,528	(234,683)	(459)	1,954	-	55,325,340

SENSITIVITY ANALYSIS OF FOREIGN CURRENCY BALANCE SHEET

Currency	Dollar N'000	GBP N'000	Euro N'000	Total N'000
Net On Balance Sheet Position	(234,683)	(459)	1,954	(233,188)
Closing Exchange Rate (Naira/Currency)		1,549	1,942	1,608
10% Currency Appreciation (-)	1,394	1,748	1,447	
10% Currency Depreciation (+)	1,704	2,136	1,769	
Effect of 10% appreciation on Profit	23,468	46	(195)	23,319
Effect of 10% depreciation on Profit	(23,468)	(46)	195	(23,319)

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FOR THE YEAR ENDED 31 DECEMBER 2024

(b) Foreign Currency Concentrations risk as at 31 December 2023

<i>In thousands of Naira</i>	Naira	Dollar	GBP	Euro	Others	Total
Assets						
Cash and balance with Central Bank of Nigeria	26,762,180	981,558	60,259	14,814	-	27,818,811
Un-restricted balance	596,030	-	-	-	-	596,030
Due from other banks	26,798,010	4,936,807	-	2,101	-	31,736,918
Pledged assets	872,765	-	-	-	-	872,765
Loans and advances to customer	176,149,109	-	-	-	-	176,149,109
Investment securities :						
- Debt instruments at fair value through other comprehensive income	44,458,156	-	-	-	-	44,458,156
Debt instruments at amortised cost	5,494,709	-	-	-	-	5,494,709
Other financial assets	1,550,057	304,251	-	-	-	1,854,308
Total financial assets (A)	282,681,016	6,222,616	60,259	16,915	-	288,980,806
Liabilities						
Due to banks	-	-	-	-	-	-
Due to customers	256,703,701	4,141,809	60,577	16,392	-	260,922,480
Other borrowed funds	1,432,960	-	-	-	-	1,432,960
Other financial liabilities	6,065,828	1,894,728	28	-	-	7,960,584
Total financial liabilities (B)	264,202,489	6,036,537	60,605	16,392	-	270,316,024
Net financial assets/ (liabilities)	18,478,527	186,079	(346)	523	-	18,664,782

SENSITIVITY ANALYSIS OF FOREIGN CURRENCY BALANCE SHEET

Currency	Dollar N'000	GBP N'000	Euro N'000	Total N'000
Net On Balance Sheet Position	186,079	(346)	523	186,256
Closing Exchange Rate (Naira/Currency)	952	1,212	1,054	
10% Currency Appreciation (-)	857	1,091	948	
10% Currency Depreciation (+)	1,047	1,333	1,159	
Effect of 10% appreciation on Profit	(18,608)	35	(52)	(18,626)
Effect of 10% depreciation on Profit	18,608	(35)	52	18,626

(g) Operational Risk Management

Operational risk in the Bank is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. This definition includes legal risk but excludes strategic and reputational risks.

Operational risk exists in all activities, processes, products and systems. The Bank aims to maintain operational risk within its risk appetite through a strategy anchored on the sustenance of a strong risk culture of individual and collective awareness and understanding of operational risk, accountability and transparency on operational risk issues at all levels, deployment of robust operational risk policies, processes and tools, and

collaboration across all the business units and support functions in managing operational risk.

Operational Risk Governance Structure

Operational risk is managed in the Bank along three lines of defense. The first line consists of the business units who own and are directly responsible for managing the risk. They identify and report operational risks in their activities and communicate these risks to the second line of defense which includes the independent risk management and control functions. This line formulates the risk management policies, processes and tools, and provides support in enhancing and monitoring the effectiveness of controls in the business units and support functions, while the third line of



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

defense, the Internal Audit department, provides independent assurance on the adequacy, appropriateness and effectiveness of the risk management policies and process on an ongoing basis.

The Bank maintains a dedicated Operational Risk Management (ORM) function which formulates the operational risk management strategy, policy and framework. The department, through the Chief Risk Officer, has a reporting line to the Executive Management, Management Risk Committee and Board Risk Management Committee, depicting a robust governance structure. The Board approves the Bank's ORM policy and appetite. The Management Risk Committee reviews operational risk management reports quarterly and defines action plans to minimize material risks to acceptable levels. In addition, the ORM department collaborates with the Conduct and Compliance Division to ensure effective implementation of the ORM framework in the business units and support functions. It also works closely with the business units to manage operational risk based on the outcomes of the monitoring activities of the Conduct and Compliance Division. The ORM department is audited regularly by the Bank's internal and external auditors.

Operational Risk Management Framework

The Bank has a robust framework for managing operational risk. The framework defines the core governing principles and processes for the effective identification, assessment, mitigation, and monitoring of operational risks in line with regulatory requirements and international best practices. The key processes and tools in the ORM framework include the following:

1 Risk and Control Self-Assessment

The Bank's Risk and Control Self-Assessment (RCSA) program provides a structured approach for business owners to identify material risks in their business areas, assess the effectiveness of controls in mitigating the risks and implement actions to proactively address the identified vulnerabilities. RCSA helps senior management to assess the overall effectiveness of the control environment, improve risk decision making, and optimize controls to meet business objectives.

The RCSA is also a rich source of information for developing heat maps that highlight the Bank's areas

of vulnerability, risk concentration and materiality.

Risk assessments of new and existing products, processes and applications are also conducted to identify material operational risks and ensure adequacy and effectiveness of implemented mitigating controls.

Risk assessments of new and existing products, processes and applications are also conducted to identify material operational risks and ensure adequacy and effectiveness of implemented mitigating controls.

2 Key risk indicators

The Bank uses Key Risk Indicators which provide early warning signals of changes in the risk profile to monitor and mitigate key threats to the achievement of strategic goals. Material breaches are reported monthly and quarterly to Management for timely remediation.

3 Operational Risk Event Data Collection

The Bank maintains a comprehensive internal loss database aligned with regulatory and Basel standards for collecting, analyzing and reporting operational risk events and losses. The data on the Bank's historical loss experience provides meaningful information for assessing the exposure to operational risk, developing risk scenarios, prioritizing risk decisions, and implementing controls to mitigate risks. Strict reporting requirements are in place to ensure that operational risk incidents are escalated to relevant stakeholders for timely decision making. Adequate risk transfer mechanisms including insurance and outsourcing are in place to minimize the impact of operational risk events on the Bank. The lessons learnt from operational risk events and losses are communicated across the Bank and used in improving the control environment.

4 Scenario Analysis

The Operational Risk Management department utilizes scenario analysis of the Bank's internal historical losses and material external risk events in modelling tail risk events, determining the potential impact on the organization, and proactively developing action plans to mitigate the risks.

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FOR THE YEAR ENDED 31 DECEMBER 2024

Business Continuity Management

The Bank is currently in the process of implementing ISO22301, the international Standard for Business Continuity Management System. This certification indicates that a comprehensive Business Continuity Plan and robust recovery processes and systems are in place to build resilience, safeguard the Bank's employees and assets, maintain strategic communications, minimize service disruption and losses, and ensure timely recovery and resumption of operations and technology infrastructure in the event of a disaster. The Bank's dedicated Business Continuity Manager coordinates the activities of the BCMS and ensures the development, implementation and testing of the BCP is in line with international standards and best practices.

The Operational Risk Management framework is supported by other departmental policies and procedures that guide the daily activities of the business units and functions and ensure adequate controls are implemented to mitigate risks. The policies and procedures are regularly reviewed and updated, and the processes redesigned or automated where required, to improve operational efficiency and the effectiveness of controls across the Bank.

Periodic reports on the identified operational risks are circulated to the relevant stakeholders for timely

remediation of issues, enhancement of controls and to increase awareness of operational risk across the Bank.

Operational Risk Capital Charge

The Bank uses the Basic Indicator Approach for computing the capital charge for operational risk in line with regulatory requirements.

(h) Capital management

(a) Regulatory capital

The Central Bank of Nigeria, sets and monitors capital requirements for the Bank. The banking operations are directly supervised by the Central Bank of Nigeria. In implementing current capital requirements, the Central Bank of Nigeria requires the Bank to maintain a 10% minimum ratio for total capital to total risk-weighted assets.

The Bank's regulatory capital is analysed into two tiers:

Tier 1 capital, which includes ordinary share capital, retained earnings, and intangible assets, and other regulatory adjustments relating to items that are included in equity but are treated differently for capital adequacy purposes.

Tier 2 capital, which includes qualifying subordinated liabilities, allowances and the element of the fair value

31 December 2024

Nature of item	capital charge factor	First year	Second year	Third year	Aggregate Gross Income (years 1 to 3)	Capital charges
<i>In thousands of Naira</i>						
Basic Indicator Approach (BIA)						
Gross Income	15%	6,908,583	34,987,068	109,473,415	151,369,066	22,705,360
Number of years with positive annual gross income						3
Mean Average of Aggregate Capital						7,568,453
Calibrated Risk Weighted Amount (BIA)						94,605,666

31 December 2023

Nature of item	capital charge factor	First year	Second year	Third year	Aggregate Gross Income (years 1 to 3)	Capital charges
<i>In thousands of Naira</i>						
Basic Indicator Approach (BIA)						
Gross Income	15%	6,908,583	34,987,068		41,895,651	6,284,348
Number of years with positive annual gross income						2
Mean Average of Aggregate Capital						3,142,174
Calibrated Risk Weighted Amount (BIA)						39,277,173



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

reserve relating to unrealised gains on equity instruments classified as Fair value through other comprehensive income.

Various limits are applied to elements of the capital base. The qualifying Tier 2 capital is limited to 33.3% of Tier 1 capital.

Banking operations are categorised mainly as trading book or banking book, and risk-weighted assets are determined according to specified requirements that seek to reflect the varying levels of risk attached to assets.

The CBN in its circular BSD/DIR/GEN/LAB/07/021 effective 5 August 2014 informs banks on the exclusion of the following reserves in the computation of total qualifying capital:

- Regulatory Risk Reserve created pursuant to Section 12.4 (a) of the Prudential Guidelines,
- Collective impairment on loans and receivables and other financial assets,
- Other Comprehensive Income (OCI) Reserves will be recognized as part of Tier 2 capital subject to the limits set in paragraph 3.2 of the CBN Guidance, and Notes on the Calculation of Regulatory Capital

(b) Capital Adequacy Ratio

In accordance with Central Bank of Nigeria regulations, a minimum threshold of 10% is to be maintained when computing the ratio qualifying capital to risk weighted assets.

The capital adequacy computation for the year ended 31 December 2024 is in line with revised guidance notes on implementation and the reporting template for capital adequacy ratio issued by Central Bank of Nigeria, referenced BSD/DIR/GEN/BAS/08/031 and dated 24 June 2015. The computations are consistent with the requirements of Pillar I of Basel II Accord (International Convergence of Capital Measurement and Capital Standards). Although the guidelines comply with the requirements of the Basel II accords, certain sections were adjusted to reflect the peculiarities of the Nigerian environment.

Premium Trust Bank, in line with the directives from the Central Bank of Nigeria (CBN), has adopted the following approaches for its Pillar 1 capital calculations:

- Credit Risk – Standardised Approach
- Market Risk – Standardised Approach
- Operational Risk – Basic indicator approach, which is 15% of the average gross income for the past 2 years.

(b) Capital Adequacy Ratio

Constituents of Capital <i>In thousands of Naira</i>	Notes	2024	2023
Tier 1 capital			
Paid- up share capital	31	26,000,000	26,000,000
General reserve (Retained earnings)		30,458,398	6,533,836
Statutory reserve	31.1	14,725,028	2,800,215
Tier 1 Capital Before Regulatory Deduction		71,183,426	35,334,051
Regulatory Deduction			
Other intangible assets	26	5,353,640	4,459,963
Total Regulatory Deduction		5,353,640	4,459,963
Tier 1 Capital after Regulatory Deduction		65,829,786	30,874,088
Tier 2 capital: Instruments & Reserves			
Other comprehensive income		(736,140)	894,251
Eligible Tier 2 Capital		(736,140)	894,251
Total regulatory capital		65,093,646	31,768,339
Risk-weighted assets		312,585,734	211,370,529
Total tier 1 and tier 2 capital expressed as a percentage of risk-weighted assets		20.82%	15.03%

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

8 Fair Value of Financial Instruments

The Bank's accounting policy on fair value measurements is discussed under note 2.2.18. The Bank measures fair values using the following fair value hierarchy that reflects the nature and process used in making the measurements:

Level 1: Quoted market price (unadjusted) in an active market for an identical instrument.

Level 2: Valuation techniques based on observable inputs, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all signifi-

cant inputs are directly or indirectly observable from market data.

Level 3: Valuation techniques using inputs that are not based on observable market data, i.e., unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs could have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Fair value measurement hierarchy for assets and liabilities as at 31 December 2024:

<i>In thousands of Naira</i>	Notes	Level 1	Level 2	Level 3	Total
Assets measured at fair value					
Pledged assets – FVTPL	21.1	4,962,400	85,831,851	-	90,794,251
Pledged assets – FVOCI	21.2	25,998,341	231,962,354	-	257,960,695
Debt instruments at FVTPL	23(a)	2,592,066	3,024,483	-	5,616,549
Debt instruments measured at FVOCI	23	37,288,498	85,022,691	-	122,311,189
Assets for which fair value are disclosed					
Due from banks	20	-	-	117,573,256	117,573,256
Loans and advances to customers	22	-	-	173,265,581	173,265,581
Pledged assets – amortised cost	21.3	33,452,310	-	-	33,452,310
Debt instruments at amortised cost	23(c)	6,381,065	-	-	6,381,065
Liabilities measure at fair value					
Trading liabilities	28	7,826,109	-	-	7,826,109
Liabilities for which fair values are disclosed:					
Deposits from customers	27	-	-	451,910,733	451,910,733
Other borrowed funds	30	-	-	439,031,240	439,031,240

31 December 2023

<i>In thousands of Naira</i>	Notes	Level 1	Level 2	Level 3	Total
Assets measured at fair value					
Pledged assets – FVOCI	21.1	872,765	-	-	872,765
Debt instruments measured at FVOCI	23	40,791,669	3,666,487	-	44,458,156
Assets for which fair value are disclosed					
Due from banks	20	-	31,736,918	-	31,736,918
Loans and advances to customers	22	-	-	176,149,109	176,149,109
Debt instruments at amortised cost		5,494,709	-	-	5,494,709
Liabilities for which fair values are disclosed:					
Deposits from customers	27	-	-	260,922,480	260,922,480
Other borrowed funds	28	-	-	1,432,960	1,432,960



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FOR THE YEAR ENDED 31 DECEMBER 2024

<i>In thousands of Naira</i>	Carrying amount 2024	Fair value amount 2024
Financial assets		
Cash and balances with Central Bank of Nigeria	187,467,154	187,467,154
Due from banks	117,573,256	117,573,256
Pledged assets	382,207,256	380,877,155
Loans and advances to customers	173,265,581	182,752,483
Investment in securities:		
- Debt instruments at fair value through profit or loss	5,616,549	5,616,549
- Debt instruments at fair value through other comprehensive income	122,311,189	122,311,189
- Debt instruments at amortised cost	6,381,065	5,823,872
Other financial assets	2,469,910	2,469,910
Total	997,291,960	1,004,891,568
Financial liabilities		
Deposits from customers	451,910,733	451,910,733
Other borrowed funds	439,031,240	439,031,240
Trading liabilities	7,826,109	7,826,109
Other financial liabilities	43,198,538	43,198,538
Total	941,966,620	941,966,620

<i>In thousands of Naira</i>	Carrying amount 2023	Fair value amount 2023
Financial assets		
Cash and balances with Central Bank of Nigeria	28,414,841	28,414,841
Due from banks	31,736,918	31,736,918
Pledged assets	872,765	872,765
Loans and advances to customers	176,149,109	181,150,567
Investment in securities:		
- Debt instruments at fair value through other comprehensive income	44,458,156	44,458,156
- Debt instruments at amortised cost	5,494,709	5,203,886
Other financial assets	955,906	955,906
Total	288,980,806	292,793,039
Financial liabilities		
Deposits from customers	260,922,480	260,922,480
Other borrowed funds	1,432,960	1,432,960
Other financial liabilities	7,960,584	7,960,584
Total	270,316,024	270,316,024

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

Assets for which fair value approximates carrying value

The management assessed that cash and balances with Central Bank of Nigeria, other financial assets and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. For financial assets and financial liabilities that are without a specific maturity; it is assumed that the carrying amounts approximates their fair value.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The fair values of the quoted bonds and treasury bills are based on price quotations at the reporting date. The fair value of unquoted instruments, loans from banks and other financial liabilities, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

The fair values of the remaining FVOCI financial assets are measured using quoted market prices in active

markets which are adjusted for using the accrued interest to date.

The fair values of the Bank's interest-bearing borrowings and loans are determined by using the DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31 December 2024 was assessed to be insignificant.

For loans and advances, a discounted cash flow model is used based on various fair value of the loan portfolio by discounting the future cash flows on these loans using interest rates on loans and remaining days to maturity of each of the cash flows.

The fair value of fixed rate financial assets and liabilities carried at amortized cost are estimated by comparing market interest rates when they were first recognized with current market rates for similar financial instruments. The estimated fair value of fixed interest bearing deposits and debt issued are based on discounted cash flows using prevailing money-market interest rates for deposits and debts with similar credit risk and maturity.

<i>In thousands of Naira</i>	12 months to 31 Dec. 2024	18 months to 31 Dec. 2023
9 Interest income calculated using the effective interest method		
Loans and advances to customers	52,364,015	22,339,930
Investment securities	33,363,755	2,852,744
Placements and short term funds	20,821,043	5,098,281
	106,548,813	30,290,955
There was no loan modification during the year, hence, no modification gain/loss was recognised.		
Interest from investment securities were derived from:		
Debt instruments at amortised cost	1,591,642	887,237
Debt instruments at fair value through other comprehensive income	31,772,113	1,965,507
	33,363,755	2,852,744
10 Interest expense using effective interest rate		
Deposits from customers	14,441,694	4,671,352
Other borrowed funds	7,479,421	97,337
Deposits from banks	157,964	467,027
Interest on lease liability	251,972	222,011
	22,331,051	5,457,728



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

<i>In thousands of Naira</i>	12 months to 31 Dec. 2024	18 months to 31 Dec. 2023
11 Net fees and commission income		
Fee and commission income is disaggregated below and includes total fees in scope of IFRS 15, Revenues from Contracts with Customers:		
E-business commission and fees	379,433	204,376
Other fees and commissions (Note 11.1)	17,102,076	12,434,275
Account maintenance fees	1,945,950	1,066,444
Commissions and similar income	11,749	13,072
Credit related fees	1,127,102	2,960,302
Total revenue from contracts with customers	20,566,312	16,678,469
Other non-contract fee income:		
Commission on letter of credit and off-balance sheet transactions	1,774,296	49,446
Total fees and commission income	22,340,608	16,727,915
Total fees and commission expense		
E-business expenses	(641,160)	(272,766)
Net fees and commission income	21,699,448	16,455,149
11.1 Other fees and commission includes mostly advisory fees among others.		
Fees and commission income reported above excludes amounts included in determining effective interest rates on financial assets that are not carried at fair value through profit or loss.		
12 Trading income and foreign exchange differences		
Realized gains on trading securities	2,104,998	-
Foreign exchange trading	634,900	-
Foreign currency revaluation gain	391,415	73,869
Revaluation loss on Trading securities	(261,231)	-
	2,870,082	73,869
<i>Foreign currency revaluation gain is largely arising from non-trading activities.</i>		
13 Other operating income		
Gains on disposal of property, plant and equipment	-	4,627
Gains on disposal of debt securities at FVOCI (note 13.2)	587,551	671,253
Other sundry income (note 13.1)	102,061	41,586
	689,612	717,467
13.1 Other sundry income includes cashless policy charges, among others.		
13.2 Gains on disposal of debt securities comprise gains on disposal of treasury bills and bonds carried at fair value through other comprehensive income		

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FOR THE YEAR ENDED 31 DECEMBER 2024

<i>In thousands of Naira</i>	12 months to 31 Dec. 2024	18 months to 31 Dec. 2023
14 Net impairment loss on financial assets		
The table below shows the ECL charges on financial instruments for the year ended 31 December 2024 recorded in profit or loss:		
14a Net impairment loss on financial assets (see note 14 b. below for breakdown)		
(i) Loans and advances impairment: Impairment charge on term loans	4,464,384	4,999,534
Impairment charge on overdraft	21,060	1,923
	4,485,444	5,001,458
(i) Impairment charge on investment securities (notes 21.2.1 and 20b)	561,536	22,299
(ii) Impairment charge on Financial guarantees (note 31.3)	1,266,540	62,106
	1,828,076	84,405
	6,313,519	5,085,863

14b Net impairment loss on financial assets

The table below shows the ECL charges on financial instruments for the year ended 31 December 2024 recorded in profit or loss:

<i>In thousands of Naira</i>	12 months to 31 Dec. 2024			
	Stage 1	Stage 2	Stage 3	Total
Loans and advances to customers	4,390,636	960	93,848	4,485,444
Debt instruments measured at FVOCI	508,756	-	-	508,756
Debt instruments measured at amortised cost	52,779	-	-	52,779
Financial guarantees and letters of credit	1,266,540	-	-	1,266,540
	6,218,711	960	93,848	6,313,519

<i>In thousands of Naira</i>	18 months to 31 Dec. 2023			
	Stage 1	Stage 2	Stage 3	Total
Loans and advances to customers	5,001,036	422	-	5,001,458
Debt instruments measured at FVOCI	19,761	-	-	19,761
Debt instruments measured at amortised cost	2,539	-	-	2,539
Financial guarantees	62,106	-	-	62,106
	5,085,441	422	-	5,085,863

<i>In thousands of Naira</i>	12 months to 31 Dec. 2024	18 months to 31 Dec. 2023
15 Personnel expenses		
Wages and salaries	6,332,178	6,169,017
Defined contribution plan	204,135	191,107
	6,536,314	6,360,124



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FOR THE YEAR ENDED 31 DECEMBER 2024

<i>In thousands of Naira</i>	12 months to 31 Dec. 2024	18 months to 31 Dec. 2023
16.1 Other operating expenses		
Outsourcing services	368,432	180,689
Insurance	1,177,012	181,943
Banking Resolution Fund (see Note (a) below)	1,183,047	411,600
Professional fees (see Note (b) below)	2,702,631	760,820
Administrative expenses	496,313	426,505
Office expenses	12,212,688	2,985,034
Rents and rates	81,978	140,099
Repairs and maintenance	3,016,445	1,406,753
Advert, promotion and corporate gifts	11,077,842	5,383,530
Training and development	533,849	92,588
Bank charges	21,695	92,812
Security	89,156	74,596
Cash handling and cash processing expenses	167,561	72,067
Travel and hotel expenses	1,718,317	531,217
Printing and stationery	92,452	100,703
Auditors' remuneration	64,500	48,375
Donations	213,417	203,745
Membership and subscription	324,774	64,555
Directors' emoluments	77,000	204,800
	35,619,108	13,362,429

16.1 Other operating expenses

- (a) Banking Resolution Funds represents accrual for Banking Resolution Fund levy in accordance with provision of sections 74 and 77 of the Banks and Other Financial Institutes Act 2020.
- (b) Professional fees include legal charges, share listing and fees for non-audit services.

The Bank paid the external auditors' professional fees for the provision of non-audit services. The total amount of non-audit services provided by the external auditors during the year was N22 million (31 December 2023: N5 million). The non-audit services were for risk management and corporate governance review and the assessment of internal control over financial reporting.

These services did not impair the independence and objectivity of the external auditors.

<i>In thousands of Naira</i>	12 months to 31 Dec. 2024	18 months to 31 Dec. 2023
16.2 Depreciation and amortisation		
Depreciation of property and equipment (see note 25.1)	1,943,525	1,657,753
Depreciation of right-of-use asset amortisation (see note 25.2)	527,268	502,305
Amortisation of intangible assets (see note 26)	1,140,373	962,560
	3,611,166	3,122,618

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

<i>In thousands of Naira</i>	12 months to 31 Dec. 2024	18 months to 31 Dec. 2023
17 Income tax		
(a) Current income tax expense:		
Income tax	15,879,015	2,574,864
Prior year under provision	1,396	-
Education tax (note 17d)	1,766,756	524,327
	17,647,167	3,099,190
Information Technology levy (note 17e)	573,292	141,209
Nigeria Police Trust Fund levy (note 17f)	2,866	706
National Agency for Science and Engineering Infrastructure levy (note 17g)	143,323	35,302
	18,366,648	3,276,407
Deferred tax expense	(786,864)	1,538,220
Total income tax expense	17,579,784	4,814,627
(b) Current income tax payable		
The movement on this account during the year was as follows:		
Balance, beginning of the year	2,925,942	-
Charge for the year (see (17a) above)	18,365,252	3,276,407
Prior year under provision	1,396	-
Payments during the year	(2,927,338)	(350,465)
Balance, end of the year	18,365,252	2,925,942
(c) Windfall tax		
Balance, beginning of the year	-	-
Windfall tax paid	19,328	-
Current Windfall tax	48,310	-
Balance, end of the year	67,638	-

Federal Government of Nigeria Amended the Finance Act (Amendment) 2024 which imposes WINDFALL LEVY on Financial Institutions for the first time in Nigeria tax system. The Act imposes 70% levy in retrospect for 2023 financial period, 2024 and 2025 on Foreign exchange gains from impact of foreign exchange on financial instruments as a result of currency floating by the apex Bank (CBN). The sum of N19 million of the N67 million relate to gains realized in 2023 financial year.

<i>In thousands of Naira</i>		12 months to 31 December 2024		18 months to 31 December 2023
(c) Reconciliation of total tax charge	%		%	
Profit before income tax expense	100%	57,396,797	100%	14,148,678
Income payable @ statutory tax rate of 30%	30%	17,219,039	30%	2,574,864
Tax effect of:				
Non-deductible expenses	3%	1,506,259	12%	1,726,936
Tax- exempt Income	(6%)	(3,628,744)	(1%)	(188,716)
Education tax	3%	1,766,756	4%	524,327
Nigeria Police Trust Fund	0%	2,866	0%	706
National Agency for Science and Engineering Infrastructure Act Levy	0%	143,323	0%	35,302
Information Technology Levy (NITDA) 1%	573,292	1%	141,209	
Prior year under provision	0%	1,396	0%	-
Effective tax rate/ Income tax expense	31%	17,579,784	34%	4,814,627



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

- (d) The basis of the Education Tax is currently 3% of assessable profit which is N58.89 billion (2023: N17.48 billion). An Education Tax of 3% of assessable profits is imposed on all companies incorporated in Nigeria. This tax is viewed as a social obligation placed on all companies in ensuring that they contribute their own quota in developing educational facilities in the country.
- (e) The National Information Technology Agency Act (NITDA) 2007 stipulates that specified companies contribute 1% of their profit before tax to the National Information Development Agency. In line with the Act, the Bank has provided for Information technology levy at the specified rate.
- (f) Section 4 of the Nigeria Police Trust Fund (Establishment) Act 2019 stipulates that companies operating in Nigeria shall contribute 0.005% of their profit before tax to the Nigeria Police Trust Fund. The Act establishing the Fund will be in force for 6 years from the year of establishment. In line with the Act, the Bank has provided for Police Trust Fund levy at the specified rate.
- (g) National Agency for Science and Engineering Infrastructure Act (Cap N3 LFN 2004) stipulates that commercial companies and firms with income or turnover of N100million and above are required to contribute 0.25% of their profit before tax (the Levy), into the Fund. However, all contributions made to the fund shall be deductible against Companies Income Tax (CIT)

(i) Deferred tax assets and liabilities

	Balance at 31 December 2024	Recognised in profit or loss	Recognised in OCI	Balance at 31 December 2024
<i>In thousands of Naira</i>				
Property, plant and equipment and software	1,864,980	708,586	-	2,573,565
Provisions	(326,760)	(1,495,450)	-	(1,822,210)
	1,538,220	(786,864)	-	751,355

	Balance at 1 July 2022	Recognised in profit or loss	Recognised in OCI	Balance at 31 December 2023
<i>In thousands of Naira</i>				
Property, plant and equipment and software	-	1,864,980	-	1,864,980
Provisions	-	(326,760)	-	(326,760)
	-	1,538,220	-	1,538,220

18 Earnings per share (basic and diluted)

Basic earnings per share is calculated by dividing the net attributable to equity holders of the Bank by the weighted average number of ordinary shares in issue during the year.

	31 December 2024 Unit ('thousands)	31 December 2023 Unit ('thousands)
a Issued ordinary shares as at 31 December	26,000,000	26,000,000
Weighted average number of ordinary shares	26,000,000	26,000,000
b Profit for the year attributable to equity holders of the Bank (N'000)	39,749,375	9,334,051
Basic earnings per share (in kobo)	152.9k	35.9k

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

<i>In thousands of Naira</i>	31 Dec 2024	31 Dec 2023
19 Cash and balances with Central Bank of Nigeria		
Cash and foreign monies	6,838,806	2,384,174
Operating account with Central Bank of Nigeria	1,422,091	596,030
Mandatory reserve deposits with Central Bank of Nigeria	179,206,257	25,434,638
	187,467,154	28,414,841
Current	8,260,897	2,980,204
Non-current	179,206,257	25,434,638
	187,467,154	28,414,841

Deposits with the Central Bank of Nigeria represent mandatory reserve deposits and are not available for use in the Bank's day-to-day operations. It does not form part of cash and cash equivalents in the statement of cash flows.

<i>In thousands of Naira</i>	31 Dec 2024	31 Dec 2023
20 Due from banks		
Balances held with banks outside Nigeria	29,947,894	1,005,413
Placements with banks	87,067,295	26,634,088
Balances held with local banks	558,067	4,097,417
	117,573,256	31,736,918
Current	117,573,256	31,736,918
Non-current	-	-
	117,573,256	31,736,918

Included in balances with banks outside Nigeria is the Naira equivalent of foreign currency balances held on behalf of customers in respect of letters of credit. The corresponding liabilities are included in other liabilities (see Note 30).

Money market placements are placement for varying periods between one day to three months, depending on the immediate cash requirements of the Bank and earn interest at the prevailing market rate.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

<i>In thousands of Naira</i>	31 Dec 2024	31 Dec 2023
21 Pledged assets		
21.1 Debt instruments at Fair value through profit or loss (FVTPL)		
Treasury bills FVTPL (see note (a) below)	90,794,251	-
Total debt instruments measured at FVTPL	90,794,251	-
21.2 Debt instruments at Fair value through other comprehensive income (FVOCI)		
Treasury bills FVOCI (see note (a) below)	257,960,695	820,046
Government bonds FVOCI (see note (b) below)	-	52,719
Total debt instruments measured at FVOCI	257,960,695	872,765
21.3 Debt instruments at amortised cost		
Government bonds at amortised cost (see note (a) below)	7,507,205	-
Treasury bills at amortised cost (see note (a) below)	25,992,237	-
Sub-total	33,499,442	-
ECL on Pledged asset at amortised cost	(47,132)	-
Total debt instruments measured at amortised cost	33,452,310	-
Total pledged assets	382,207,256	872,765
Current	374,710,010	820,046
Non-current	7,497,246	52,719
	382,207,256	872,765

The Bank pledges assets that are on its statement of financial position in various day-to-day transactions that are conducted under the usual terms and conditions applying to such agreements.

- Pledged for clearing activities and Repurchase transaction with customers
- Pledged for Interswitch electronic card transactions.

21.1 Pledged assets measured at FVTPL

The table below shows the fair value of the Bank's pledged assets instruments measured at FVTPL by credit risk, based on the Bank's internal credit rating system and period-end stage classification. Details of the Bank's internal grading system are explained in Note 6:

<i>In thousands of Naira</i>	31 December 2024			Total
	Stage 1	Stage 2	Stage 3	
Internal rating grade				
BB+ to B	90,794,251	-	-	90,794,251
Total	90,794,251	-	-	90,794,251

An analysis of changes in the fair value is as follows:

<i>In thousands of Naira</i>	Stage 1	Stage 2	Stage 3	Total
Fair value as at 1 Jan 2024	-	-	-	-
New assets originated or purchased	90,794,251	-	-	90,794,251
Assets derecognised	-	-	-	-
At 31 December 2024	90,794,251	-	-	90,794,251

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FOR THE YEAR ENDED 31 DECEMBER 2024

21.2 Pledged assets measured at FVTOCI

The table below shows the fair value of the Bank's pledged assets instruments measured at FVOCI by credit risk, based on the Bank's internal credit rating system and period-end stage classification. Details of the Bank's internal grading system are explained in Note 6 and policies on whether ECL allowances are calculated on an individual or collective basis are set out in Note 2.2.2:

<i>In thousands of Naira</i>	31 December 2024			Total
	Stage 1	Stage 2	Stage 3	
Internal rating grade				
BB+ to B	257,960,695	-	-	257,960,695
Total	257,960,695	-	-	257,960,695

An analysis of changes in the fair value and the corresponding ECLs is, as follows:

<i>In thousands of Naira</i>	Stage 1	Stage 2	Stage 3	Total
Fair value as at 1 Jan 2024	872,765	-	-	872,765
New assets originated or purchased	257,109,287	-	-	257,109,287
Change in fair value	(21,357)	-	-	(21,357)
At 31 December 2024	257,960,695	-	-	257,960,695

<i>In thousands of Naira</i>	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1 Jan 2024	668	-	-	668
New assets originated or purchased	366,482	-	-	366,482
Assets derecognised or matured (excluding write offs)	(668)	-	-	(668)
At 31 December 2024	366,482	-	-	366,482

<i>In thousands of Naira</i>	31 December 2023			Total
	Stage 1	Stage 2	Stage 3	
Internal rating grade				
BB+ to B	872,765	-	-	872,765
Total	872,765	-	-	872,765

An analysis of changes in the fair value and the corresponding ECLs is, as follows:

<i>In thousands of Naira</i>	Stage 1	Stage 2	Stage 3	Total
Fair value as at 1 Jul 2022	-	-	-	-
New assets originated or purchased	872,765	-	-	872,765
Assets derecognised or matured (excluding write-offs)	-	-	-	-
At 31 December 2023	872,765	-	-	872,765

<i>In thousands of Naira</i>	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1 Jul 2022	-	-	-	-
New assets originated or purchased	668	-	-	668
Assets derecognised or matured (excluding write offs)	-	-	-	-
At 31 December 2023	668	-	-	668



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

21.3 Pledged assets measured at amortised cost

The table below shows the credit quality and the maximum exposure to credit risk based on the Bank's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Bank's internal grading system are explained in Note 2.2.2

<i>In thousands of Naira</i>	31 December 2024			Total
	Stage 1	Stage 2	Stage 3	
Internal rating grade				
BB+ to B	33,499,442	-	-	33,499,442
Total	33,499,442	-	-	33,499,442

<i>In thousands of Naira</i>	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1 Jan 2024	-	-	-	-
New assets originated or purchased	33,499,442	-	-	33,499,442
Assets derecognised or matured (excluding write-offs)	-	-	-	-
At 31 December 2024	33,499,442	-	-	33,499,442

<i>In thousands of Naira</i>	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1 Jan 2024	-	-	-	-
New assets originated or purchased	47,132	-	-	47,132
Assets derecognised or matured (excluding write offs)	-	-	-	-
At 31 December 2024	47,132	-	-	47,132

<i>In thousands of Naira</i>	31 Dec 2024	31 Dec 2023
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22 Loans and advances to customers

Term loan	181,142,164	175,508,182
Overdraft	1,610,319	5,642,385
Less:	182,752,483	181,150,567
Impairment charge on Term Loans	(9,463,918)	(4,999,534)
Impairment charge on Overdrafts	(22,983)	(1,923)
	173,265,581	176,149,109
Current	19,170,907	8,510,784
Non-current	154,094,674	167,638,326
	173,265,581	176,149,109

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

22.1 Loans and advances - term loan

The table below shows the credit quality and the maximum exposure to credit risk based on the Bank's internal credit rating system and period-end stage classification. The amounts presented are gross of impairment allowances. Details of the Bank's internal grading system are explained in Note 6 and policies on whether ECL allowances are calculated on an individual or collective basis are set out in Note 2.2.2

31 December 2024				
<i>In thousands of Naira</i>	Stage 1	Stage 2	Stage 3	Total
Internal rating grade				
AAA to AA-	-	-	-	-
A+ to BBB-	24,297,587	-	-	24,297,587
BB+ to B	156,558,132	39,738	-	156,597,870
CCC to C	-	-	246,707	246,707
D	-	-	-	-
Total	180,855,719	39,738	246,707	181,142,164

31 December 2023				
<i>In thousands of Naira</i>	Stage 1	Stage 2	Stage 3	Total
Internal rating grade				
AAA to AA-	-	-	-	-
A+ to BBB-	9,565,763	-	-	9,565,763
BB+ to B	165,455,253	487,170	-	165,942,424
CCC to C	-	-	-	-
D	-	-	-	-
Total	175,021,017	487,170	-	175,508,187

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to term loans is, as follows:

2024

<i>In thousands of Naira</i>	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1 Jan 2024	175,021,017	487,170	-	175,508,187
New assets originated or purchased	53,629,588	39,823	-	53,669,411
Assets derecognised or repaid (excluding write offs)	(47,794,945)	(181,199)	(59,289)	(48,035,434)
Transfers to Stage 1	60	(60)	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	(305,997)	305,997	-
At 31 December 2024	180,855,719	39,738	246,707	181,142,164



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

31 December 2024				
<i>In thousands of Naira</i>	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1 Jan 2024	4,999,113	422	-	4,999,534
New assets originated or purchased	3,480,951	1,383	-	3,482,334
Assets derecognised or repaid (excluding write offs)	(560,937)	(194)	-	(561,131)
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	(228)	228	-
Impact on year end ECL of exposures transferred between stages during the year	-	-	85,572	85,572
Changes to models and inputs used for ECL calculations	1,457,609	-	-	1,457,609
At 31 December 2024	9,376,736	1,383	85,800	9,463,918

2023

<i>In thousands of Naira</i>	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1 Jul 2022	-	-	-	-
New assets originated or purchased	175,021,017	487,170	-	175,508,187
Assets derecognised or repaid (excluding write offs)	-	-	-	-
At 31 December 2023	175,021,017	487,170	-	175,508,187

31 December 2023				
<i>In thousands of Naira</i>	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1 Jul 2022	-	-	-	-
New assets originated or purchased	4,999,113	422	-	4,999,534
Assets derecognised or repaid (excluding write offs)	-	-	-	-
At 31 December 2023	4,999,113	422	-	4,999,534

22.2 Loans and advances - overdraft

The table below shows the credit quality and the maximum exposure to credit risk based on the Bank's internal credit rating system and period-end stage classification. The amounts presented are gross of impairment allowances. Details of the Bank's internal grading system are explained in Note 6 and policies on whether ECL allowances are calculated on an individual or collective basis are set out in Note 2.2.2

31 December 2024				
<i>In thousands of Naira</i>	Stage 1	Stage 2	Stage 3	Total
Internal rating grade				
AAA to AA-	-	-	-	-
A+ to BBB-	289,306	-	-	289,306
BB+ to B	1,300,220	-	-	1,300,220
CCC to C	-	-	20,792	20,792
Total	1,589,527	-	20,792	1,610,319

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

31 December 2023				
<i>In thousands of Naira</i>	Stage 1	Stage 2	Stage 3	Total
Internal rating grade				
AAA to AA-	-	-	-	-
A+ to BBB-	93,275	-	-	93,275
BB+ to B	5,549,019	86	-	5,549,105
Total	5,642,295	86	-	5,642,380

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to overdrafts is as follows:

31 December 2024				
<i>In thousands of Naira</i>	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1 Jan 2024	5,642,295	86	-	5,642,380
New assets originated or purchased	1,057,283	-	3,136	1,060,419
Assets derecognised or repaid (excluding write offs)	(5,092,455)	(25)	-	(5,092,480)
Transfers to Stage 1	60	(60)	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	(17,656)	-	17,656	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
At 31 December 2024	1,589,527	-	20,792	1,610,319

<i>In thousands of Naira</i>	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1 Jan 2024	1,923	-	-	1,923
New assets originated or purchased	5,784	-	-	5,784
Assets derecognised or repaid (excluding write offs)	(569)	-	-	(569)
Transfers to Stage 1	-	-	-	(0)
Transfers to Stage 3	(124)	-	124	-
Impact on year end ECL of exposures transferred between stages during the year	-	-	7,925	7,925
Changes to models and inputs used for ECL calculations	7,920	-	-	7,920
At 31 December 2024	14,935	-	8,048	22,982

Loans and advances are granted at different interest rates across the various products.

31 December 2023				
<i>In thousands of Naira</i>	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1 July 2022	-	-	-	-
New assets originated or purchased	5,642,295	86	-	5,642,380
Assets derecognised or repaid (excluding write offs)	-	-	-	-
At 31 December 2023	5,642,295	86	-	5,642,380



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

<i>In thousands of Naira</i>	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1 July 2022	-	-	-	-
New assets originated or purchased	1,923	-	-	1,923
Assets derecognised or repaid (excluding write offs)	-	-	-	-
At 31 December 2023	1,923	-	-	1,923

<i>In thousands of Naira</i>	31 Dec 2023	31 Dec 2023
22.3 Classification of loans and advances by rating		
Rating		
AAA to AA-	-	-
A+ to BBB-	24,586,893	9,659,039
BB+ to B	157,898,091	171,491,528
CCC to C	267,499	-
	182,752,483	181,150,567
22.4 Classification of loans and advances by security		
Cash	2,574,060	1,568,981
Real estate	14,738,341	16,170,459
Debentures	136,566,990	133,135,847
Other securities	28,831,339	30,158,282
Unsecured	41,754	116,998
	182,752,483	181,150,567
Other securities includes domiciliation of proceeds, personal guarantees, negative pledge, etc.		
22.5 Classification of loans and advances by sector		
Agriculture	12,770,616	5,337,638
Communication	158,759	5,253,588
Consumer	2,468,947	1,325,054
Education	212,479	183,556
Finance and insurance	2,334,562	956,739
Government	8,771,904	10,688,259
Manufacturing	35,452,494	26,244,171
Oil and gas	36,183,199	27,917,192
Others	35,971,838	49,745,766
Power	4,242,031	4,696,345
Real estate & construction	42,762,826	46,533,308
Transportation	1,422,828	2,268,949
	182,752,483	181,150,567

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

23 Investment in securities:

<i>In thousands of Naira</i>	31 Dec 2024	31 Dec 2023
(a) Debt instruments held at fair value through profit or loss (FVTPL)		
Treasury bills	5,616,061	-
Bonds	489	-
Total financial assets measured at FVTPL	5,616,549	-
(b) Debt instruments at fair value through other comprehensive income		
Treasury bills	119,019,830	40,818,333
Government bonds	3,291,359	3,639,823
Total debt instruments measured at FVOCI	122,311,189	44,458,156
(c) Debt instruments at amortised cost		
Government bonds	6,390,008	5,497,248
	6,390,008	5,497,248
Less: Allowance for Impairment losses	(8,943)	(2,539)
Total debt instruments measured at amortised cost	6,381,065	5,494,709
	134,308,803	49,952,866
Current	124,636,379	40,818,333
Non-current	9,672,424	9,134,532
	134,308,803	49,952,866

(a) Debt instruments measured at FVTPL

The table below shows the fair value of the Bank's pledged assets instruments measured at FVTPL by credit risk, based on the Bank's internal credit rating system and period-end stage classification. Details of the Bank's internal grading system are explained in Note 6:

<i>In thousands of Naira</i>	31 December 2024			Total
	Stage 1	Stage 2	Stage 3	
Internal rating grade				
AAA to AA-	-	-	-	-
A+ to BBB-	-	-	-	-
BB+ to B	5,616,549	-	-	5,616,549
Total	5,616,549	-	-	5,616,549

An analysis of changes in the fair value is as follows:

<i>In thousands of Naira</i>	Stage 1	Stage 2	Stage 3	Total
Fair value as at 1 Jan 2024	-	-	-	-
New assets originated or purchased	5,616,549	-	-	5,616,549
Assets derecognised or matured (excluding write-offs)	-	-	-	-
Change in fair value	-	-	-	-
At 31 December 2024	5,616,549	-	-	5,616,549



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(b) Debt instruments measured at FVOCI

The table below shows the fair value of the Bank's debt instruments measured at FVOCI by credit risk, based on the Bank's internal credit rating system and period-end stage classification. Details of the Bank's internal grading system are explained in Note 6 and policies on whether ECL allowances are calculated on an individual or collective basis are set out in Note 2.2.2:

<i>In thousands of Naira</i>	31 December 2024			
	Stage 1	Stage 2	Stage 3	Total
Internal rating grade				
AAA to AA-	-	-	-	-
A+ to BBB-	-	-	-	-
BB+ to B	122,311,189	-	-	122,311,189
Total	122,311,189	-	-	122,311,189

An analysis of changes in the fair value and the corresponding ECLs is, as follows:

<i>In thousands of Naira</i>	Stage 1	Stage 2	Stage 3	Total
Fair value as at 1 Jan 2024	44,458,156	-	-	44,458,156
New assets originated or purchased	86,809,707	-	-	86,809,707
Assets derecognised or matured (excluding write-offs)	(7,733,891)	-	-	(7,733,891)
Change in fair value	(1,222,783)	-	-	(1,222,783)
At 31 December 2024	122,311,189	-	-	122,311,189

An analysis of changes in the fair value and the corresponding ECLs is, as follows:

<i>In thousands of Naira</i>	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1 Jan 2024	19,093	-	-	19,093
New assets purchased	146,724	-	-	146,724
Assets derecognised or matured (excluding write offs)	(4,539)	-	-	(4,539)
At 31 December 2024	161,278	-	-	161,278

<i>In thousands of Naira</i>	31 December 2023			
	Stage 1	Stage 2	Stage 3	Total
Internal rating grade				
AAA to AA-	-	-	-	-
A+ to BBB-	-	-	-	-
BB+ to B	44,458,156	-	-	44,458,156
Total	44,458,156	-	-	44,458,156

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

An analysis of changes in the fair value and the corresponding ECLs is, as follows:

<i>In thousands of Naira</i>	Stage 1	Stage 2	Stage 3	Total
Fair value as at 1 July 2022	-	-	-	-
New assets originated or purchased	44,458,156	-	-	44,458,156
Assets derecognised or matured (excluding write-offs)	-	-	-	-
Change in fair value	-	-	-	-
At 31 December 2023	44,458,156	-	-	44,458,156

An analysis of changes in the fair value and the corresponding ECLs is, as follows:

<i>In thousands of Naira</i>	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1 July 2022	-	-	-	-
New assets purchased	19,093	-	-	19,093
Assets derecognised or matured (excluding write offs)	-	-	-	-
At 31 December 2023	19,093	-	-	19,093

(c) Debt instruments measured at amortised cost

The table below shows the credit quality and the maximum exposure to credit risk based on the Bank's internal credit rating system and period-end stage classification. The amounts presented are gross of impairment allowances. Details of the Bank's internal grading system are explained in Note 6 and policies on whether ECL allowances are calculated on an individual or collective basis are set out in Note 2.2.2:

<i>In thousands of Naira</i>	31 December 2024			
	Stage 1	Stage 2	Stage 3	Total
Internal rating grade				
AAA to AA-	-	-	-	-
A+ to BBB-	-	-	-	-
BB+ to B	6,390,008	-	-	6,390,008
Total	6,390,008	-	-	6,390,008
<i>In thousands of Naira</i>	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1 Jan 2024	5,497,248	-	-	5,497,248
New assets originated or purchased	892,760	-	-	892,760
Assets derecognised or matured (excluding write-offs)	-	-	-	-
At 31 December 2024	6,390,008	-	-	6,390,008
<i>In thousands of Naira</i>	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1 Jan 2024	2,539	-	-	2,539
New assets purchased	6,405	-	-	6,405
Assets derecognised or matured (excluding write offs)	-	-	-	-
At 31 December 2024	8,943	-	-	8,943



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

31 December 2023				
<i>In thousands of Naira</i>	Stage 1	Stage 2	Stage 3	Total
Internal rating grade				
AAA to AA-	-	-	-	-
A+ to BBB-	-	-	-	-
BB+ to B	5,497,248	-	-	5,497,248
Total	5,497,248	-	-	5,497,248

31 December 2023				
<i>In thousands of Naira</i>	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1 July 2022	-	-	-	-
New assets originated or purchased	5,497,248	-	-	5,497,248
At 31 December 2023	5,497,248	-	-	5,497,248

<i>In thousands of Naira</i>	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1 July 2022	-	-	-	-
New assets purchased	2,539	-	-	2,539
At 31 December 2023	2,539	-	-	2,539

<i>In thousands of Naira</i>	31 Dec 2024	31 Dec 2023
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24 Other assets

Financial assets

Cash related assets (see note (i))	59,997	19,271
E-settlement receivables	2,409,913	936,635
	2,469,910	955,906

Non-financial assets

Prepayments (see note (ii))	1,459,741	464,367
Prepaid staff cost	444,037	357,297
Stock (see note (iii) below)	87,713	76,739
	4,461,401	1,854,308
Current	4,017,364	1,497,012
Non-current	444,037	357,297
	4,461,401	1,854,308

- i. Cash related assets comprises of cash advance with employees.
- ii. Prepayment relates to payments made by the Bank on items whose benefits covers specific future period of time beyond the reporting period. These assets are short tenured and are quickly settled. These include insurance and subscriptions.
- iii. This comprises of stock of ATM cards, stock cheque books and stationeries. These items are short tenured and quickly settled.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

25.1 Property and equipment

The movement during the period was as follows:

31 December 2024

<i>In thousands of Naira</i>	Freehold land	Freehold Building	Leasehold Improve-ment	Furniture & fittings	Machinery Equipment	Motor vehicles	Computer equipment	Capital Work in progress	Total
(a) Cost									
As at 1 January 2024	3,053,500	351,375	1,387,437	674,451	1,466,972	2,646,991	1,995,395	2,298,139	13,874,261
Additions	4,095,510	-	2,065,705	586,199	1,358,116	1,174,811	189,448	1,819,693	11,289,482
Reclassifications	-	-	1,346,093	56,395	340,424	-	72,824	(1,815,736)	-
Disposals	-	-	-	-	-	-	-	-	-
As at 31 December 2024	7,149,010	351,375	4,799,235	1,317,045	3,165,512	3,821,802	2,257,667	2,302,096	25,163,743
(b) Accumulated depreciation and impairment									
As at 1 January 2024	-	8,784	220,123	175,136	266,526	434,021	545,384	-	1,649,975
Charge for the year	-	7,027	238,746	177,026	431,788	665,530	423,407	-	1,943,525
Disposals	-	-	-	-	-	-	-	-	-
As at 31 December 2024	-	15,812	458,870	352,162	698,314	1,099,551	968,791	-	3,593,500
Carrying amount									
As at 31 December 2024	7,149,010	335,563	4,340,365	964,883	2,467,198	2,722,252	1,288,876	2,302,096	21,570,243

- i) There were no capitalised borrowing costs related to the acquisition of property and equipment during the year.
- ii) There was no impairment loss on all classes of property and equipment during the year.
- iii) No item of property, plant and equipment was pledged as security.
- iv) There were no contractual commitments for the acquisition of property and equipment.
- v) Work in progress relates to capital cost incurred in setting up new branches. When completed and available for use, they are transferred to their respective property, plant and equipment classes and depreciation commences.
- vi) All property and equipment are non-current.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

Property and equipment

The movement during the period was as follows:

31 December 2023

<i>In thousands of Naira</i>	Freehold land	Freehold Building	Leasehold Improve-ment	Furniture & fittings	Machinery Equipment	Motor vehicles	Computer equipment	Capital Work in progress	Total
(a) Cost									
As at 1 July 2022	-	-	-	-	-	-	-	-	-
Additions	3,053,500	351,375	1,387,437	674,451	1,466,972	2,674,441	1,995,395	2,298,139	13,901,711
Reclassifications	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	(27,450)	-	-	(27,450)
As at 31 December 2023	3,053,500	351,375	1,387,437	674,451	1,466,972	2,646,991	1,995,395	2,298,139	13,874,261

(b) Accumulated depreciation and impairment

As at 1 July 2022	-	-	-	-	-	-	-	-	-
Charge for the period	-	8,784	220,123	175,136	266,526	441,799	545,384	-	1,657,753
Disposals	-	-	-	-	-	(7,777)	-	-	(7,777)
As at 31 December 2023	-	8,784	220,123	175,136	266,526	434,021	545,384	-	1,649,976

Carrying amount

As at 31 December 2023	3,053,500	342,591	1,167,314	499,315	1,200,447	2,212,970	1,450,011	2,298,139	12,224,286
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- There were no capitalised borrowing costs related to the acquisition of property and equipment during the period.
- There was no impairment loss on all classes of property and equipment during the period.
- No item of property, plant and equipment was pledged as security.
- There were no contractual commitments for the acquisition of property and equipment.
- Work in progress relates to capital cost incurred in setting up new branches. When completed and available for use, they are transferred to their respective property, plant and equipment classes and depreciation commences.
- All property and equipment are non-current.

<i>In thousands of Naira</i>	31 Dec 2024	31 Dec 2023
25.2 Right-of-use asset		
Building		
Balance as at 1 January 2024	5,405,539	-
Additions during the year	2,667,805	5,907,844
Depreciation charge	(527,268)	(502,305)
Balance as at 31 December 2024	7,546,076	5,405,539

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

<i>In thousands of Naira</i>	31 Dec 2024	31 Dec 2023
26 Intangible assets		
(a) Cost		
Balance as at 1 January 2024	5,422,523	-
Additions	2,025,690	5,422,523
Reclassification (see note below)	8,403	-
Balance as at 31 December 2024	7,456,616	5,422,523
(b) Accumulated amortisation and impairment		
Balance as at 1 January 2024	(962,560)	-
Amortisation for the year	(1,140,416)	(962,560)
Balance, end of the year	(2,102,976)	(962,560)
Carrying amount		
Balance as at 31 December	5,353,640	4,459,963

Items reclassified were from work-in-progress. Capital expenditures that did not meet the capitalisation criteria of intangible assets were recorded in work-in-progress until they are available for use.

27 Deposits from customers

Current accounts	311,891,532	167,220,534
Savings accounts	36,885,379	13,670,370
Term deposits	45,899,671	69,736,189
Pledged deposits	57,234,151	10,295,387
	451,910,733	260,922,480
Current	449,807,133	258,233,724
Non-current	2,103,600	2,688,756
	451,910,733	260,922,480

Pledged deposits represent contracted cash deposits with the Bank that are held as security for loans granted to customers by the Bank.

28 Other borrowed funds

Due to Counterparties (see note (i) below)	439,031,240	1,432,960
	439,031,240	1,432,960
Movement on other borrowed funds:		
Balance as at 1 January 2024	1,432,960	-
Additions during the year	1,020,856,376	7,696,325
Repayments during the year	(584,335,580)	(6,268,640)
Accrued interest	7,479,421	97,834
Interest paid	(6,401,936)	(92,558)
	439,031,240	1,432,960
Current	439,031,240	1,432,960
Non-current	-	-
	439,031,240	1,432,960



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

- (i) This represents repurchased transactions collateralized with treasury bills and Federal government bonds. Transactions are short term in nature with an outstanding tenure to maturity of 295 days.

<i>In thousands of Naira</i>	31 Dec 2024	31 Dec 2023
29 Trading liabilities		
Treasury bills	2,925,473	-
Government bonds	4,900,636	-
	7,826,109	-
Current	7,826,109	-
Non-current	-	-
	7,826,109	-
Trading liabilities represents short sold positions on federal government securities		
30 Other liabilities		
Financial liabilities	2,925,473	-
Certified cheques	138,205	158,449
Creditors and accruals	4,585,046	2,164,178
Customers' deposits for foreign trade (see note (30.1))	17,928,130	3,578,938
Other credit balances (see note (30.2))	7,385,265	1,179,745
Lease liability (30.3)	2,046,792	879,274
Deposit for Shares (see note (30.3))	11,115,100	-
Total Other Liabilities	43,198,538	7,960,584
Current	43,198,538	7,960,584
Non-current	-	-
	43,198,538	7,960,584

30.1 Customers' deposits for foreign trade represent customer deposit used as cash collateral against customers' letters of credit transactions.

30.2 Other credit balances include provision for various taxes and up-front fees on financial contract such as advance management fees etc. The up-front fees are amortised using the maturity date of the contracts.

30.3 Deposit for Shares represent amount collected on ongoing right issue and private placement programme of the Bank to meet the recapitalisation requirement by Central Bank of Nigeria.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

<i>In thousands of Naira</i>	31 Dec 2024	31 Dec 2023
30.4 Lease liability		
At 1 January	879,274	-
Additions	915,546	657,263
Interest on lease liabilities	251,972	222,011
At 31 December	2,046,792	879,274
Interest on lease liabilities are included in interest expense using effective interest rate (note 10).		
Current	-	-
Non-current	2,046,792	879,274
	2,046,792	879,274

Maturity analysis of lease liabilities

<i>In thousands of Naira</i>	Less than 3 months	3-12 months	1 - 5 years	Total
	-	-	2,046,792	2,046,792

<i>In thousands of Naira</i>	31 Dec 2024	31 Dec 2023
30.5 Provisions		
Provisions for financial guarantees and letters of credit	1,328,646	62,106
	1,328,646	62,106
Movement in Provision		
At 1 Jan 2024	62,106	-
Additions	1,266,540	62,106
At 31 December	1,328,646	62,106

<i>In thousands of Naira</i>	31 Dec 2024	31 Dec 2023
31 Share capital and equity reserves		
<i>Share capital</i>		
Issued and fully-paid:		
26 billion Ordinary shares of N1 each	26,000,000	26,000,000

(i) Ordinary shareholding:

The holders of ordinary shares are entitled to receive dividend as declared from time to time and are entitled to vote at meeting of the Bank. All ordinary shares rank pari-passu with the same rights and benefits at meetings of the Bank.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

Proposed dividend

In respect of the year ended 31 December 2024, the Directors proposed that a dividend of NGN 1.00 per share will be paid to shareholders (31 December 2023: 15 kobo per share). This dividend is subject to approval by shareholders at the annual general meeting and has not been included as a liability in this financial statements until approved and declared by the shareholders.

31.1 Other components of equity

a. Statutory reserve

Nigerian banking regulations require the Bank to make an annual appropriation to a statutory reserve. As stipulated by Section 16(1) of the Banks and Other Financial Institution Act of Nigeria, an appropriation of 30% of profit after tax is made if the statutory reserve is less than paid-up share capital and 15% of profit after tax if the statutory reserve is greater than the paid up share capital. Amount transferred to statutory reserve for the year ended 31 December 2024 was N11.9 billion (31 December 2023: N2.8 billion).

32 Commitments and Contingencies

a. Litigations and claims

The Company in its ordinary course of business was not involved in any lawsuit as at period end.

The Directors of the Company are not aware of any pending or threatened claims or litigations which may be material to the financial statements. There were no other contingent liabilities in respect to litigation and claims requiring disclosure in these financial statements.

b. Contingent liabilities and commitments

The Bank conducts business involving performance bonds and indemnities. The majority of these facilities are offset by corresponding obligations of third parties. Contingent liabilities and commitments comprise bonds, financial guarantees and letters of credit.

Nature of instruments:

To meet the financial needs of customers, the Bank enters into various commitments and contingent liabilities. These consist of financial guarantees and letters of credits. These obligations are not recognised on the statement of financial position because the risk has not crystallised and we have not identified any factor to suggest the probability the that the risk will crystallise.

Letters of credit and financial guarantees commit the Bank to make payments on behalf of customers in the event of a specific act, generally related to the import or export of goods. Guarantees and standby letters of credit carry a similar credit risk to loans.

The following tables summarise the nominal principal amount of contingent liabilities and commitments with off- financial position risk:

<i>In thousands of Naira</i>	31 Dec 2024	31 Dec 2023
Bonds and guarantees	40,711,002	7,858,747
Letters of credit	60,719,785	-
	101,430,787	7,858,747

Above balances represent contingent liabilities for which the customers have not defaulted.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

Impairment losses on guarantees and other commitments

An analysis of changes in the gross carrying amount and the corresponding allowance for impairment losses in relation to guarantees and other commitments is, as follows:

(i) Financial guarantees

The table below shows the credit quality and the maximum exposure to credit risk based on the Bank's internal credit rating system and year-end stage classification.

31 December 2024

<i>In thousands of Naira</i>	Stage 1	Stage 2	Stage 3	Total
Internal rating grade				
AAA to AA-	-	-	-	-
A+ to BBB-	20,121,420	-	-	20,121,420
BB+ to B	20,589,582	-	-	20,589,582
CCC to C	-	-	-	-
D	-	-	-	-
Total	40,711,002	-	-	40,711,002

An analysis of changes in the outstanding exposures and the corresponding ECLs are, as follows:

<i>In thousands of Naira</i>	Stage 1	Stage 2	Stage 3	Total
Outstanding exposure as at 1 Jan 2024	7,858,747	-	-	7,858,747
New exposures	31,604,972	-	-	31,604,972
Exposure derecognised or matured/lapsed (excluding write offs)	(1,574,812)	-	-	(1,574,812)
Foreign exchange adjustments	2,822,096	-	-	2,822,096
At 31 December 2024	40,711,002	-	-	40,711,002

<i>In thousands of Naira</i>	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1 Jan 2024	62,106	-	-	62,106
New exposures	860,401	-	-	860,401
Exposure derecognised or matured (excluding write offs)	(9,124)	-	-	(9,124)
Changes to models and inputs used for ECL calculations	151,974	-	-	151,974
At 31 December 2024	1,065,357	-	-	1,065,357

31 December 2023

<i>In thousands of Naira</i>	Stage 1	Stage 2	Stage 3	Total
Internal rating grade				
AAA to AA-	-	-	-	-
A+ to BBB-	5,257,207	-	-	5,257,207
BB+ to B	2,601,540	-	-	2,601,540
CCC to C	-	-	-	-
D	-	-	-	-
Total	7,858,747	-	-	7,858,747



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

An analysis of changes in the outstanding exposures and the corresponding ECLs are, as follows:

<i>In thousands of Naira</i>	Stage 1	Stage 2	Stage 3	Total
Outstanding exposure as at 1 July 2022	-	-	-	-
New exposures	7,858,747	-	-	7,858,747
Exposure derecognised or matured/lapsed (excluding write offs)	-	-	-	-
At 31 December 2023	7,858,747	-	-	7,858,747

<i>In thousands of Naira</i>	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1 July 2022	-	-	-	-
New exposures	62,106	-	-	62,106
Exposure derecognised or matured (excluding write offs)	-	-	-	-
At 31 December 2023	62,106	-	-	62,106

(ii) Letters of credit

The table below shows the credit quality and the maximum exposure to credit risk based on the Bank's internal credit rating system and year-end stage classification.

2024

<i>In thousands of Naira</i>	Stage 1	Stage 2	Stage 3	Total
Internal rating grade				
AAA to AA-	337,682	-	-	337,682
A+ to BBB-	-	-	-	-
BB+ to B	60,382,103	-	-	60,382,103
CCC to C	-	-	-	-
D	-	-	-	-
Total	60,719,785	-	-	60,719,785

An analysis of changes in the outstanding exposures and the corresponding ECLs are, as follows:

<i>In thousands of Naira</i>	Stage 1	Stage 2	Stage 3	Total
Outstanding exposure as at 1 Jan 2023	-	-	-	-
New exposures	60,719,785	-	-	60,719,785
Exposure derecognised or matured/lapsed (excluding write offs)	-	-	-	-
Foreign exchange adjustments	-	-	-	-
At 31 December 2024	60,719,785	-	-	60,719,785

<i>In thousands of Naira</i>	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1 Jan 2023	-	-	-	-
New exposures	263,289	-	-	263,289
Exposure derecognised or matured (excluding write offs)	-	-	-	-
Foreign exchange adjustments	-	-	-	-
At 31 December 2024	263,289	-	-	263,289

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

33 Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise influence over the other party in making financial and operational decisions, or one other party controls both. The definition includes directors and key management personnel among others.

<i>In thousands of Naira</i>	31 Dec 2024	31 Dec 2023
(i) Transactions with the related parties		
Loans and advances		
Secured loans and advances (see 33b)	1,162,395	253,053

(ii) Transactions with key management personnel

Key management personnel has been defined as the executive directors and non-executive directors of the Bank. Key management personnel and their close family members engaged in the following transactions with the Bank during the year:

<i>In thousands of Naira</i>	31 Dec 2024	31 Dec 2023
Secured loans and advances	1,162,395	253,053
Deposit liabilities (related parties and key management personnel)	389,622	96,217

(iii) Compensation of key management personnel:

The amounts disclosed in the table below are the amounts recognised as an expense during the year related to key executive directors.

<i>In thousands of Naira</i>	31 Dec 2024	31 Dec 2023
Short-term benefits (wages and salaries)	512,218	443,512
Post-employment benefits (pension contributions)	16,112	12,470
	528,329	455,982

(iv) Directors' remuneration below relates to payment made to non-executive directors and charged as expense during the year. The non-executive directors do not receive pension entitlements from the Bank.

The non-executive directors do not receive pension entitlements from the Bank.

<i>In thousands of Naira</i>	31 Dec 2024	31 Dec 2023
Directors' remuneration		
Fees as directors	24,000	157,925
Other emoluments	53,000	46,875
	77,000	204,800

(v) Terms and conditions of transactions with related parties

The above-mentioned outstanding balances arose from the ordinary course of business. The interest rates charged to and by related parties are at normal commercial rates. Outstanding balances at the year-end are secured. For the year ended 31 December 2024, the related parties facilities are performing.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

33b Insider Related Credits

Insider Related Credits are disclosed below in accordance to Central Bank of Nigeria Circular BSD/1/2004

The Bank granted various credit facilities meeting the definition of insider related credits at rates and terms comparable to other facilities in the Bank's portfolio. An aggregate of N1.16billion (2023: N253million) relating to the Directors and some employees were outstanding on these facilities at the end of the period/year.

31 December 2024

Name of Borrowers	Relationship to Reporting Institution	Name of the Related Interest	Date Granted	Expiry Date	Facility Limit (N'000)	Out-standing Credit (N'000)	Status	Perfected Security/Nature	Facility Type
Emmanuel Efe Emefienim	Managing Director	Emmanuel Efe Emefienim	26-oct-22	26-oct-32	319,000	191,903	Performing	N/a	Loan
Emmanuel Efe Emefienim	Managing Director	Emmanuel Efe Emefienim	26-jul-22	23-jul-32	184,299	105,729	Performing	N/a	Loan
Shina Atilola	Executive Director	Shina Atilola	13-jul-22	23-jul-32	59,367	36,157	Performing	N/a	Loan
Olubukunola Awosanya	Executive Director	Olubukunola Awosanya	07-oct-22	23-oct-26	40,052	24,993	Performing	N/a	Loan
Mcloyal Services Limited	Non Executive Director	Victor Olowogoroye	17-nov-22	17-nov-25	1,450,000	613,283	Performing	N/a	Loan
Mcloyal Services Limited	Non Executive Director	Victor Olowogoroye	17-nov-22	17-nov-25	450,000	190,329	Performing	N/a	Loan
Total					2,502,719	1,162,395			

31 December 2023

Name of Borrowers	Relationship to Reporting Institution	Name of the Related Interest	Date Granted	Expiry Date	Facility Limit (N'000)	Out-standing Credit (N'000)	Status	Perfected Security/Nature	Facility Type
Emmanuel Efe Emefienim	Managing Director	Emmanuel Efe Emefienim	26-oct-22	26-oct-32	319,000	191,903	Performing	N/a	Loan
Shina Atilola	Executive Director	Shina Atilola	13-jul-22	23-jul-32	59,367	36,157	Performing	N/a	Loan
Olubukunola Awosanya	Executive Director	Olubukunola Awosanya	07-oct-22	23-oct-26	40,052	24,993	Performing	N/a	Loan
Total					418,419	253,053			

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

Letter of credit and bond guarantees.

31 December 2024

Name of Borrowers	Relationship to Reporting Institution	Name of the Related Interest	Date Granted	Expiry Date	Facility Limit (N'million)	Out-standing Credit (N'million)	Status	Perfected Security/ Nature	Facility Type
Dasag Engineering & Services Ltd	Non-Executive Director	Godwin Abhullimen	29-Jul-22	16-May-26	3	3	Performing	Cash	Guarantee
Total - Contingent (Letters of credit and bond guarantees)						3			

31 December 2023

Name of Borrowers	Relationship to Reporting Institution	Name of the Related Interest	Date Granted	Expiry Date	Facility Limit (N'million)	Out-standing Credit (N'million)	Status	Perfected Security/ Nature	Facility Type
Dasag Engineering & Services Ltd	Non-Executive Director	Godwin Abhullimen	29-Jul-22	16-May-26	3	3	Performing	Cash	Guarantee
Total - Contingent (Letters of credit and bond guarantees)						3			



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

34 Events after reporting date

Subsequent to the end of the financial year, the following events occurred:

On the 26th of March 2025, the Directors proposed the payment of dividend of NGN 1.00 per share to shareholders (31 December 2023: 15 kobo per share). The Central Bank of Nigeria in its letter dated 7th April 2025, gave no objection to the payment of the dividend.

This dividend is subject to approval by shareholders at the annual general meeting and has not been included as a liability in this financial statements until approved and declared by the shareholders.

Other than the above mentioned, there were no other events after the reporting date which could have a material effect on the financial position of the Bank as at 31 December 2024 and profit or loss and other comprehensive income on that date which have not been adequately adjusted for or disclosed.

<i>In thousands of Naira</i>	31 Dec 2024	31 Dec 2023
35 Cash and cash equivalents		
Cash and foreign monies (Note 19)	6,838,806	2,384,174
Unrestricted balances with Central Bank of Nigeria (Note 19)	1,422,091	596,030
Balances held with local banks (Note 20)	29,947,894	1,005,413
Money market placements (Note 20)	87,067,295	26,634,088
Balances held with banks outside Nigeria (Note 20)	558,067	4,097,417
	125,834,153	34,717,122

36 Compliance with banking regulations

There were no fines or penalties paid by the Bank during the year. However, the bank's loan to deposit ratio was 40.4% as at year end which is in contravention of the regulatory minimum of 50%.

37 Financial Reporting Council's Certification Requirement for Professionals engaged in Financial Reporting process

In line with Financial Reporting Council of Nigeria certification requirement for professionals engaged in the financial reporting process: external auditors, officers of reporting entities and other professional providing assurance to reporting entities, below is a list of professionals engaged in the financial reporting process relating to financial statements during the year

S/N	NAME OF PROFESSIONAL	FRC_NUMBER	ROLE
1	Kreston Pedabo	FRC/2022/COY/861283	Tax consultants
2	Oladeinde Olajide & Associates	FRC/2022/PRO/DIR/003/812817	Property & Valuation Experts
3	Ben Chika & Associates	FRC/2014/NIESV/00000006215	Property & Valuation Experts
4	Samson Agbato & Co	FRC/2012/NIESV/00000000134	Property & Valuation Experts
5	Humphrey Igberase & Co	FRC/2014/NIESV/00000009293	Property & Valuation Experts
6	Babatunde Salawu & Co	FRC/2014/00000004124	Property & Valuation Experts
7	Boye Komolafe & Co	FRC/2012/NIESV/00000000118	Property & Valuation Experts

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

38 Non-Audit Services

During the year, the Bank's auditor, Deloitte & Touche, provided the following services to the Bank:

Description of the service <i>(in thousands of Naira)</i>	31 Dec 2024	31 Dec 2023
Audit of the Bank's annual financial statements	60,000	45,000
Regulatory related services (See note (a) below)	22,000	5,000
	82,000	50,000

- (a) These services were for risk management and corporate governance review and the assessment of internal control over financial reporting. In the Bank's opinion, the provision of these services did not impair the independence and objectivity of the external auditor as adequate safeguard was put in place.



STATEMENT OF VALUE ADDED

FOR THE YEAR ENDED 31 DECEMBER 2024

<i>In thousands of Naira</i>	12 months to 31 December 2024	%	18 months to 31 December 2023	%
Gross earnings	132,449,115		47,810,206	
Interest expense	(22,331,051)		(5,457,728)	
	110,118,064		42,352,478	
Net impairment loss on financial instruments	(6,313,519)		(5,085,863)	
Bought-in-materials and services -local	(36,327,906)		(13,635,195)	
Value added	67,476,639	100	23,631,420	100
<i>Applied to pay:</i>				
Employee as wages, salaries and pensions	6,536,314	10	6,360,124	27
Income taxes	18,366,648	27	3,276,407	14
Retained in business:				
Deferred Tax	(786,864)	(1)	1,538,220	7
Depreciation and amortisation	3,611,166	5	3,122,618	13
Profit for the year	39,749,375	59	9,334,051	39
	67,476,639	100	23,631,420	100

Value added is the wealth created by the efforts of the Bank and its employees. This statement shows the allocation of that wealth among the employees, shareholders, government and amount re-invested for creation of further wealth.

OTHER INFORMATION

A directory of PremiumTrust Bank's
Branch locations, Correspondent
banks and Senior Management.



5



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2nd Annual General Meeting of Premium Trust Bank Limited will be held at 64 International Airport Road, Oshodi, Lagos, at 11:00 a.m. on the 18th day of June 2025, to transact the following business:

ORDINARY BUSINESS:

1. To receive the Audited Financial Statements for the 12-month period ended 31st December 2024, the Reports of the Directors, the Auditors and the Audit Committee thereon.
2. To declare a dividend
3. To elect/re-elect retiring Directors.
4. To authorize the Directors to fix the remuneration of the Auditors.
5. To disclose the remuneration of Managers of the Company in accordance with sections 238 and 257 of the Companies and Allied Matters Act 2020.

PROXY

A member entitled to attend and vote at the Annual General Meeting may appoint a Proxy to attend and vote in his/her/its stead. A Proxy need not be a member of the Company. A blank proxy form is attached to the Annual Report. To be valid, a completed and duly stamped proxy form must be deposited with the Company Secretary at the head office of the Bank at Plot 1612 Adeola Hopewell Street, Victoria Island, Lagos, not later than 48 hours before the time scheduled for the Meeting.

Dated this 27th day of May 2025

By Order of the Board



CHUKWUEMEKA NWAOGU ESQ.
Company Secretary
FRC/2022/PRO/CIIN/002/764830
Plot 1612, Adeola Hopewell Street,
Victoria Island, Lagos.





PROXY FORM

2ND ANNUAL GENERAL MEETING TO BE HELD AT PREMIUMTRUST BANK BRANCH OFFICE AT 64 INTERNATIONAL AIRPORT ROAD, OSHODI, LAGOS, AT 11:00 A.M. ON THE 18TH DAY OF JUNE 2025.

I/We,

.....
a shareholder of Premium Trust Bank Limited hereby appoint MR/MRS/DR/SIR/MS

.....
(PLEASE USE BLOCK CAPITALS)

as my/our proxy to act and vote for me/us and on my/our behalf at the 2nd Annual General Meeting of the Company to be held on June 18, 2025 or at any adjournment thereof.

Dated this day of 2025.

IF YOU ARE UNABLE TO ATTEND TO THE MEETING

A Member/Shareholder who is unable to attend an Annual General Meeting is allowed by law to vote. The above proxy form has been prepared to enable you exercise your right to vote in the event that you cannot personally attend the meeting.

Please sign this proxy form and forward it, in order to reach the office of the Company Secretary, PremiumTrust Bank, Plot 1612 Adeola Hopewell Street, Victoria Island, Lagos not later than 48hours before the time scheduled for the meeting. If executed by corporation, the Proxy Form should duly be executed by the appointor.

It is a requirement of the law under the Stamp Duties Act Cap 411 Laws of the Federation of Nigeria, 1990 that any instrument of proxy to be used for the purpose of voting by person entitled to vote at any meeting of shareholders must be stamped by the Commissioner for Stamp Duties.

.....
Signature of Person Attending

RESOLUTIONS	FOR	AGAINST	ABSTAIN
<ul style="list-style-type: none"> To receive the Audited Financial Statements for the 12-month period ended 31st December 2024, the Reports of the Directors, the Auditors and Audit Committee thereon. 			
<ul style="list-style-type: none"> To declare a dividend of N1.00k per share 			
<ul style="list-style-type: none"> To re-elect the following Directors of the Company <ol style="list-style-type: none"> Dr. Perez Araka Mr Neville Atigan Dr. Godwin Abhulimen Sir Emmanuel Onyekwena 			
<ul style="list-style-type: none"> To authorize the Directors to fix the remuneration of the Auditors. 			
<ul style="list-style-type: none"> To disclose the remuneration of Managers of the Company in accordance with sections 238 and 257 of the Companies and Allied Matters Act 2020. 			
<p>Please indicate with an "X" in the appropriate square how you wish your votes to be cast on the resolutions set out above. Unless otherwise instructed, the proxy will vote or abstain from voting at his/her discretion.</p>			

www.premiumtrustbank.com

SENIOR MANAGEMENT

S/N	Employee Name	Grade Code	Role
1	Ademola Adeyemi	GM	Chief Business Officer, Lagos and South-West Directorate
2	Cyril Osheku	GM	Chief Operating Officer
3	Aniebiet Offiong	GM	Chief Business Officer, South-South
4	Ayodele Shoyemi	DGM	Chief Financial Officer
5	Olanike Martins	DGM	Chief People Officer
6	Cosmas Uwaezuoke	DGM	Chief Compliance Officer
7	Uloma Chukueke	DGM	Chief Business Officer, Abuja
8	Tiwa Ademoyega	DGM	Treasurer
9	Monday Okowa	DGM	Regional Head, Asaba
10	Kingsley Oriere	DGM	Chief Risk Officer
11	Nneka Enang	DGM	Group Head, Corporate Banking and Specialized Business
12	Abiodun Jegede	AGM	Regional Head, South West
13	Abidemi Asunmo	AGM	Group Head, E-Business
14	Adetayo Adejugbe	AGM	Group Head, Digital Banking
15	Musiliu Adeosun	AGM	Chief Information & Cyber Security Officer
16	Dumebi Okwor	AGM	Chief Audit Executive



BRANCH NETWORK

S/N	BRANCHES	STATE	ADDRESS
LAGOS			
1	Head Office	Lagos	Plot 1612, Adeola Hopewell, Victoria Island, Lagos
2	Ikeja	Lagos	64, Allen Avenue, Ikeja
3	Apongbon	Lagos	16, Apongbon Street Lagos Island
4	Apapa	Lagos	40, Warehouse Road, Apapa, Lagos
5	International Airport	Lagos	64, Airport road, Mafoluku Junction, Oshodi, Lagos.
6	Surulere	Lagos	76, Bode Thomas Street, Surulere Lagos
FCT ABUJA			
7	Abuja 1	Abuja	40b Gana Streeet, Maitama, Abuja
8	National Assembly	Abuja	Room 019, (ground Floor) New building, House of Representatives, National Assembly, Abuja
SOUTH-SOUTH			
9	Port-Harcourt	Rivers	473B Trans-Amadi Industrial Layout, Port-Harcourt
10	Yenagoa	Bayelsa	Sanni Abacha Way, beside Ijaw House, Yenagoa
11	Asaba	Delta	Maryam Babangida Way, Opp, secretariat, Beside CBN Asaba
12	Warri	Delta	158 Airport Road, Effurun, Warri
13	Warri II	Delta	61 Effurun - Sapele Road, Opposite Urhobo College, Effurun, Delta
14	Benin	Benin	84, Airport road, Benin, Edo
15	Uyo	Akwa Ibom	138, Oron Road, Uyo, Akwa Ibom
SOUTH-WEST			
16	Ado-Ekiti	Ekiti	Plot 7b along Adeyinka Adebayo Secretariat Iyin Rd, Ado-Ekiti
17	Redemption City	Ogun	P. Ojo Road, near old auditorium, Redemption City
18	Akure	Ondo	No 6 Bishop Fagun Ado-owo Road Alagbaka, Akure
19	Ibadan	Oyo	Nw5/135 (opposite Eleganza Shopping Complex) Along Dugbe-Adamasingba Road, Ibadan
20	Ilorin	Kwara	Plot 45, Umaru Audi Road, GRA, Ilorin, Kwara State
21	Abeokuta	Ogun	Obafemi Awolowo Avenue, Opposite 5&5 Events, Ibara, Abeokuta
22	Osogbo	Osun	Km 3 Gbogan - Ibadan Road, Beside Osun State NULGE House, Ogo Oluwa Area Osogbo, Osun.
NORTH			
23	Kano	Kano	No. 3 Bank Road, Kano

LIST OF CORRESPONDENT BANKS

S/N	BANK
1	Access Bank UK
2	UBA New York
3	First City Monument Bank UK
4	African Export-Import Bank
5	Bank of Beruit London

Quick, seamless and
always premium



Download the Mobile App to get one



PremiumTrust Bank Limited



Corporate HQ

Plot 1612, Adeola Hopewell Street,
Victoria Island, Lagos.

www.premiumtrustbank.com

